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PANAMANIAN MINISTER ON UPCOMING CONTADORA MEETING

PA151940 Panama City Circuito RPC Television in Spanish 1730 GMT 13 Jul 85

[Statement by Panamanian Foreign Minister Jorge Abadia; date, place not given; recorded -- broadcast in progress]

[Excerpt] ...The situation has been at an impasse for the past several weeks, following the June incident when the Nicaraguan brothers left the negotiating table because they wanted to implement some actions not included in the agenda. This resulted in an impasse.

Naturally, such a situation is a cause for concern to peace-loving countries, particularly those of us promoting such pacifying efforts within the Contadora Group. However, far from being discouraged or frustrated by these developments, we were spurred on by the obstacles. Thus, we have called an urgent meeting of the foreign ministers of the Contadora Group member nations -- Mexico, Venezuela, Colombia, and Panama -- to be held on Contadora Island. This has already been accepted by all the Group's member nations, and the meeting will take place on 21 and 22 July.

The Group will hold private discussions to analyze the situation and find mechanisms that will invigorate the negotiating action of the Group. Then it will proceed to take a rapid, tactical, political action to seek a formula that will make it possible to sign, within the next 35 or 40 days, the Contadora draft document with the political consent of the countries involved. We think we will be successful in this because we are already making diplomatic efforts at other levels, always within the Contadora context. This in itself is an invigorating factor for Contadora.

We have also obtained the consent of Costa Rica and Nicaragua for a bilateral dialogue to try to resolve their border differences and seek a neutralized zone in the area. This is also within the context of the Contadora Group. We have offered Panama as the venue for this dialogue, and Presidents Monge and Ortega have accepted our offer. This meeting will begin very soon. We view this as another step forward in the pacification effort, showing once again that the Contadora Group is actually the only alternative for peace in the region.

This is a source of pride and satisfaction for us, and the entire world has recognized this. We continue to receive support from throughout the world. This is encouraging to the Contadora Group, which continues striving in the search for lasting social justice and a permanent peace.

AREA PALESTINIANS END MEETING, ISSUE DECLARATION

PY121815 Santiago EL MERCURIO in Spanish 5 Jul 85 p C 6

[Text] The meeting in Santiago of the Executive Board of the Latin American and Caribbean Palestinian Confederation, presided over by Chilean citizen Nelson Hadad, ended with a declaration voicing "full and complete support for the PLO as the sole and legitimate representative of the Palestinian people and to its leadership, headed by Yasir 'Arafat."

The sessions held at the Palestino Stadium were attended by leaders from throughout the continent representing almost 500,000 Palestinians and their descendants residing in the area.

During the meetings, the directors agreed to try their utmost to increase the work and integration of the Palestinian communities in Latin America and the Caribbean through the confederation.

CAPUTO PLEASED WITH UK LABOR LEADER'S VIEWS

PY170111 Buenos Aires DYN in Spanish 2043 GMT 16 Jul 85

[Text] Buenos Aires, 16 JUL (DYN) -- Foreign Minister Dante Caputo today called "very positive" the recent statement by UK Labor Party leader Neil Kinnock, who promised to begin negotiations with Argentina over the Malvinas sovereignty question "if he becomes prime minister." Kinnock currently heads the major opposition party to the Conservative government headed by Margaret Thatcher. It was learned here today that Kinnock made his statement on the Argentine-British conflict to the LONDON DAILY MAIL on Sunday. Kinnock said he "will hold discussions with Argentina over the sovereignty of the Malvinas and will reject a veto by the islanders of any type of agreement if he becomes prime minister." The head of the Labor Party also said: "This position will become official this year as part of the foreign policy platform that the party will uphold in the next British elections."

Asked about these statements, Foreign Minister Dante Caputo told DYN that "if it is so (Kinnock's declarations), it means that our policy is producing positive results because it seems that the British opposition parties are committing themselves to discussing the question of sovereignty of the Malvinas, which is the main point of our claim, if they gain power." The Argentine foreign minister also indicated that "this is, no doubt, a very positive fact which demonstrates that the intransigence of the incumbent British Government is causing not only its international, but also its domestic isolation."

NEW COMMUNICATIONS SECRETARY TAKES OFFICE

PY160202 Buenos Aires Domestic Service in Spanish 2300 GMT 15 Jul 85

[Text] New Communications Secretary Roberto Zubieta took office today. He was administered the oath of office by Public Works and Services Minister Roberto Tomasini.

RENEWAL, CHANGE FACTION WINS RADICAL PRIMARIES

PY170038 Buenos Aires BUENOS AIRES HERALD in English 16 Jul 85 p 11

[Text] The dominant Renewal and Change faction of President Raul Alfonsin won Sunday's Radical primaries across the board, it was confirmed yesterday.

Meanwhile, about 100 Merlo Radicals briefly occupied local party headquarters to protest "fraud" in the July 7 Buenos Aires primary before leaving with a promise that their grievances would be considered. The Merlo dissidents, who entered the building around 6:30 pm, charged double voting and abuse of the National Food Plan (PAN) to influence the result. In La Pampa, where there was a single list headed by Senator Antonio Berhongaray, a turnout of 45 percent was confirmed. Berhongaray yesterday predicted that the Radicals would win November's congressional elections in every province.

In Rio Negro, where Renewal and Change is headed by Governor Osvaldo Alvarez Guerrero and Senate Minority Leader Antonio Napoli, its White and Purple List had 8,048 votes as against 4,330 for the Blue List of Tomas Rebora and controversial Norberto Blanes, a provincial economy minister during the previous military regime who joined the party less than two years ago. The winners were supported by the National Line faction and the losers by the Movement of Yrigoyenist Affirmation (MAY). Former government Minister Horacio Massacesi and Cipoletti Mayor Mauricio Nuin will thus have a chance to run for Congress in November. More than half of the province's 26,500 Radicals voted.

Although Chubut and Santa Fe held their primaries on June 30, some districts were unable to finalize their votes until yesterday. In Comodoro Rivadavia Renewal and Change won by 1,257 votes as against 423 for the Chubut line and 112 for MAY. In Santa Fe the Coordinating Board's White List beat the rival Yellow List by 1,688 to 1,660 in four districts. Finally, provincial Senator Jorge Barbeito was re-elected leader of the Mendoza Democrat Party by about 8,000 of the party's 25,000 members.

BOMB DAMAGES PROVINCIAL ADVISER'S RESIDENCE

PY161835 Buenos Aires DYN in Spanish 1127 GMT 16 Jul 85

[Text] Santa Fe, 16 Jul (DYN) -- The police have reported that a medium-strength bomb claimed no casualties, but caused serious property damage to the facade of a government adviser's house. The attack took place at 0240 at 6765 Rio Bamba Street, in the neighborhood of Guadalupe, northeastern sector of this city, at the house of Ruben Gonzalez, who is an adviser of the local government. The bomb, which was placed under a window, caused the destruction of that window and other masonry damage, but caused no casualties among the inhabitants of the house, who were sleeping.

This is the second such attack against Gonzalez. In 1974, another bomb explosion caused damage to his home, but no casualties.

RADICAL SENATOR RECEIVES DEATH THREATS

PY131808 Buenos Aires BUENOS AIRES HERALD in English 13 July 85 p 9

[Text] (NA-DYN) -- Radical Senator Luis Brasesco said he received death threats last Thursday due to his position on military promotions. He also revealed he was later followed by a Ford Falcon after dining at a Parana restaurant. Nevertheless, no bugs were found in his Congress office. According to Congress sources, the Entre Rios senator may have provided the documentation for rejecting the promotion of Colonel Francisco D'Allessandri because of some irregularities of which the officer has now been cleared. But, the sources added, the congressman may have discovered some new information and handed it in to President Raul Alfonsin.

ARMED FORCES COUNCIL RELEASES FORMER OFFICERS

PY131814 Buenos Aires BUENOS AIRES HERALD in English 13 Jul 85 p 9

[Text] (NA-DYN) -- The supreme council of the Armed Forces yesterday ordered the release of Retired General Santiago Riveros and Retired Colonel Luis Sadi Pepa after hearing their testimony between 9 am and 2:30 pm yesterday. Both must remain "at the disposal" of the military court. The two retired officers are being investigated in connection with 'NN' (no name) graves in Boulogne cemetry.

Meanwhile, Federal Judge Omar Ramos Padillas, who was ordered to pass their case on to the Supreme Council a fortnight ago, said he had received death threats.

BRIEFS

JOINT PRC FRIENDSHIP COMMISSION -- Buenos Aires, 7 Jun (TELAM) -- Dr Enrique Gilardi Novaro and Professor Cecilio Jack Viera have been designated as president and secretary, respectively, of the newly created PRC-Argentine friendship and cultural relations commission. [Summary] [Buenos Aires TELAM in Spanish 1500 GMT 7 Jun 85 PY]

PROJECTIONS PREDICT BANZER AS ELECTION WINNER

PY161616 Paris AFP in Spanish 1411 GMT 16 Jul 85

[Text] La Paz, 16 Jul (AFP) -- According to projections made by the Tricolor Network and published in La Paz today, Nationalist Democratic Action (ADN) candidate Hugo Banzer Suarez has won the Bolivian presidential elections. The Tricolor Network, which used sophisticated equipment and a computer model based on representative initial results of all the regions of the country, and of all the social sectors, is made up of television Channel 9, the newspaper EL DIARIO, and Radio Nueva America.

The projections based on a national sample show Banzer as the winner with 36.1 percent of the votes, followed by Nationalist Revolutionary Movement (MNR) leader Victor Paz Estenssoro with 27.3 percent, and by Movement of the Revolutionary Left (MIR) leader Jaime Paz Zamora with 10.5 percent. The projections show the MNR winning in four of Bolivia's nine departments. However, in the remaining five, particularly in La Paz and Cochabamba, the vote is heavily in favor of the ADN.

Paz Zamora is followed by Roberto Jordan Pando, the leader of the progovernment Nationalist Movement of the Revolutionary Left (MNRI) with 7.1 percent, Socialist Party One (PS-1) leader Ramiro Velasco Romero with 2.6 percent, and Christian Democratic Party (PDC) leader Luis Ossio Sanjines with 1.8 percent.

According to the projections, blank and null votes will run as high as 10 percent.

This is the expected distribution of votes:

	Number of votes	Percentage
ADN, Banzer Suarez	673,574	36.15
MNR, Paz Estenssoro	509,435	27.34
MIR, Paz Zamora	197,077	10.58
MNRI, Jordan Pando	132,386	7.10
PS-1, Velasco Romero	48,820	2.62
PDC, Ossio Sanjines	34,854	1.87
Others	267,305	14.34

As none of the candidates will receive a majority vote -- that is, 50 percent plus one vote -- Congress will have to choose the president for the 1985-89 period. Congress will meet on 2 August.

The three candidates who receive the largest number of votes will be considered in the congressional voting. If none of the candidates wins by a majority in the first round of voting, a second round will be held between the two leading candidates until one of them receives the minimum number of votes set forth by the Constitution.

According to the Tricolor Network projections, Congress will be made up as follows: 60 ADN, 50 MNR, 15 MIR, 10 MNRI, 3 PS-1, 1 PDC, and 18 lawmakers of other parties. There will be 157 congressmen (130 deputies and 27 senators).

SARNEY TO AGGRESSIVELY SEEK PUBLIC SUPPORT

PY162033 Rio de Janeiro O GLOBO in Portuguese 12 Jul 85 p 3

[Excerpt] President Jose Sarney considers it dangerous to govern without strong parties. Because of the current disorder in the parties' structure, which results in uncertain congressional support, he will aggressively seek the public's support. The meeting with state governors on 17 July, the speech to the nation on 22 July, and the new social communication policy acts, are parts of that offensive to obtain support from the public.

The president's meeting with the governors, which according to a Planalto Palace source, was not requested by the government, was made possible by the intermediation of Sao Paulo Governor Franco Montoro and it will open a campaign seeking support for the renegotiation of the foreign debt. The campaign will be aimed at the public. This will ultimately have an impact on Congress.

GOVERNMENT REASSESSING AGREEMENT WITH CREDITORS

PY160053 Rio de Janeiro O GLOBO in Portuguese 12 Jul 85 p 15

[By Ribamar Oliveira]

[Text] The government finds that at least four points of the multiyear foreign debt agreement, signed by former Central Bank President Afonso Celso Pastore with creditor banks last February are unreasonable. The terms of this agreement, which had been considered reasonable and acceptable by the new Republic, have been reassess and will no longer be considered guidelines when negotiations are resumed probably in September in New York.

The agreement was not signed last January because Brazil did not reach an understanding with the IMF on the economic adjustment program for 1985.

The government now thinks differently. It believes that at least four points of that draft agreement are unacceptable. The first and best-known point is related to the supervision of the Brazilian economy by the IMF until this year 2000. The second is the problem of relending, an English word which from now on, will be heard a great deal. The third is the issue of new money during the 1985-91 period. And the last is the spread to cover risks. The multiyear agreement negotiated by Pastore included the rescheduling of medium and long-range amortization of approximately $45 billion due during 1985-91 to be paid in 18 installments every 6 months beginning on 1 June 1992. The first important detail is the payback period. Contrary to what has been disclosed this is not the type of payment to be made at the end of the 16-year period, but rather it can be made during the 16-year period, which is quite a different situation.

The agreement also established an extension of commercial lines of credit by $10 billion for 2 more years, and the extension of interbanking lines of credit by $6 billion also for another 2 years. During the multiyear agreement, Brazil would reduce its foreign debt by $9 billion, that is, it would pay a portion of the debt and all the interests equivalent to $5 billion.

Disbands IMF Team

PY160033 Madrid EFE in Spanish 1752 GMT 13 Jul 85

[By Mario Passo]

[Text] Brasilia, 13 Jul (EFE) -- Government sources have reported that Brazil will not change its negotiation strategy with the IMF and it will not accept relending or refinancing operations for Brazilian companies. From now on, the Brazilian Government will be exclusively in charge of economic policy and the reduction of the public deficit will not be subject to an agreement with the IMF, the sources added.

O GLOBO newspaper today reported that foreign banks will no longer be allowed to relend [preceding word in English] the same money they have already lent in dollars to the Central Bank because this procedure is considered to be a source of corruption.

A presidential adviser has said the government has disbanded the IMF negotiation team, comprising of 17 economists, saying there is nothing more to renegotiate with the IMF because Brazil has already presented its economic adjustment program for this year.

Unlike the policy of General Joao Figueiredo, the last president of the military regime that ruled Brazil for 21 years, the current administration considers the presence of IMF representatives unnecessary for the establishment of the economic adjustment policies of Brazil. However, a delegation of Brazilian experts will go to Washington this weekend to explain carefully the measures to reduce the public deficit which, according to the sources, are not subject to negotiation.

The most recent economic package presented to the IMF, which was announced on 4 July, reduced state investments and public expenses by $6.6 billion. It was also determined that an additional effort would be made to increase tax collections until state revenues reach $2.5 billion.

The relending operation of refinanced foreign credit results in a double benefit for foreign banks because commissions, ranging from 5 to 6 percent, are again charged on loans, on which the banks have already charged fees with their spread and administrative rates when the loans were submitted to the Central Bank.

According to sources quoted today by O ESTADO DE SAO PAULO the relending operation is the source of much corruption. The newspaper mentioned the case of the $6.5 billion credit renegotiated by the previous government to amortize the foreign debt and increase reserves. The sources noted that in transactions, some state companies transfer their relending rights to contractors who accept payments of commissions totaling 80 percent of the loan transaction.

According to the newspaper, these contractors are tied to the same banks that lend the money and agree to pay extra rates to the members of the board of the company requesting the loan.

GOVERNMENT, CENTRAL BANK DISAGREE ON ANNUAL GDP

PY162048 Sao Paulo FOLHA DE SAO PAULO in Portuguese 9 Jul 85 p 13

[Excerpt] The gross domestic product [GDP] should grow by 5 percent this year, according to President Jose Sarney and the government. Presidential Press Secretary for Economic Affairs Antonio Frota Neto made that statement yesterday in reference to a Central Bank study which said the measures adopted in the economic package issued on 4 July were recessionary.

The study added that the only reason the package will not cause negative growth in the economy is the relatively good economic performance in the first half of this year.

Without questioning the Central Bank study, Frota Neto said that, even if the Central Bank projections are true, the economy would grow by 4 percent, an index that is far from being recessionary.

HEALTH WORKERS STRIKE INTENSIFIED IN SAO PAULO

State of Emergency Declared

PY162144 Paris AFP in Spanish 1743 GMT 16 Jul 85

[Text] Sao Paulo, 16 Jul (AFP) -- Official sources have reported that the indefinite general strike by 65,000 Sao Paulo social security employees, which began last week was aggravated today when an old woman died for lack of medical attention. Avelina Pupo da Silva, 78, died in an ambulance and the incident was reported to the 18th Police Precinct of Mooca District.

Over 100,000 employees of the social security system of seven Brazilian states are on strike for higher wages (three times their current basic salary of $42) and a 30-hour work week.

Despite the negotiations, officials have not been able to end the conflict. Leonel Brizola, the Social Democratic governor of Rio de Janeiro, has declared a state of emergency in that state, which is also affected by the strike. According to reports from Porto Alegre, Rio Grande do Sul State, Brizola accused the communist parties (pro-Soviet and Albanian) of sponsoring the Rio de Janeiro State Hospital employees' strike.

Brizola Says Communists Involved

PY170254 Porto Alegre Radio Guaiba in Portuguese 2150 GMT 16 Jul 85

[Text] Rio de Janeiro -- Giocondo Dias, the president of the national Executive Board of the Brazilian Communist Party (PCB), today refuted the accusations leveled by Governor Leonel Brizola, who has stated that the PCB and the Communist Party of Brazil [PCdoB] reportedly are manipulating the strike being staged by the professional health workers in Rio de Janeiro District. In Diaz's opinion, Brizola's charges are anti-communist in nature, which is common among reactionaries.

The accusations have also provoked reactions among the strikers, who have said the governor is paranoid.

The president of the [word indistinct] of the society of state [word indistinct] has stated that the strike is dragging on because of the lack of competence of the authorities, who do not know how to conduct negotiations.

ELECTORAL COURT LEGALIZES FOUR NEW PARTIES

PY120336 Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 12 Jul 85

[Text] Today, the Supreme Electoral Court recognized the following parties: The Brazilian Socialist Party Partido Socialista Brasilero -- PSB], the Independent Democratic Party [Partido Democratico Independiente -- PDI], the Workers Social Party [Partido Social Trabalhista -- PST], and the Democratic Nationalist Party [Partido Nacionalista Democratico -- PND]. With the authorization granted to these parites, there are now 20 legal political parties that will participate in the municipal elections to be held in November 1985. Fifteen of these are new.

LABOR UNDER SECRETARY COMMENTS ON ILO MEETING

PY161803 Santiago LA TERCERA DE LA HORA in Spanish 4 Jul 85 p 13

[Text] Upon returning from Geneva, Labor Under Secretary Guillermo Arthur said that "I am deeply satisfied with the results of the ILO conference, because the committee in charge of setting labor standards -- the most important one -- voiced its satisfaction regarding the labor reforms that have been implemented in Chile. This satisfaction provoked an attack against the Chilean labor delegation. However, the attack was repelled by an overwhelming majority vote."

Arthur acted as alternate president of the Chilean Government's delegation to the 71st ILO meeting. As for the attempt to question the legitimacy of the labor delegation, Arthur said: "I believe it was nothing but a maneuver aimed at casting a shadow over the great Chilean victory at the conference, where our country showed that it is possible to move forward and at the same time comply with international agreements." He stressed that the increasingly stronger Chilean prestige reflects the nation's faithfulness to a tradition of respect for law and international agreements.

During one session, Arthur responded to the challenges concerning the labor delegation's credentials. He pointed out that it was proven that the Chilean Government seeks the opinion of the most representative local labor organizations. He explained that it was charged that this was not the case.

Concerning the Chilean Confederation of Private Sector Employees case, Arthur said that "I met Mr Federico Mujica at my office in the Labor Ministry, where I invited him to attend this conference. However, Mr Mujica had already authorized someone else to attend the conference on his behalf."

JUDGE REJECTS HONDURAN GENERAL'S EXTRADITION

PY170330 Santiago Radio Chilena in Spanish 2330 GMT 16 Jul 85

[Text] The Supreme Court has confirmed the ruling by Justice Rafael Retamal, president of the Supreme Court of Justice, rejecting the extradition of General Jose Bueso Rosa, the former Honduran defense attache in Chile. The petition seeking the extradition of the Honduran militaryman was presented to the Supreme Court by Honduras and the United States on 1 November 1984 and formalized by the U.S. Government on 28 December 1984.

Retamal, who in this case acted as a first instance judge, ordered that Bueso Rosa be placed in preventive custody. The Central American militaryman was being held at the annex building of the Capuchinos Penitentiary, awaiting the court's ruling.

Gen Bueso Rosa was charged with plotting to kill Honduran President Dr Roberto Suazo Cordova. Gen Bueso Rosa is to be freed in the next few days after the appropriate court proceedings.

HUGO CEPEDA HEADS NEW DEMOCRATIC FEDERATION

PY162137 Santiago Radio Cooperativa in Spanish 1700 GMT 16 Jul 85

[Text] Members of the Liberal, Republican, and National Parties have decided to appoint Hugo Cepeda as president of their new federation. This information has been confirmed by authorized sources of the new political organization, the Democratic Federation.

There is no information on who will be appointed vice president and secretary general of the new federation, which is made up of various center-right democratic groups. However, it has been learned that the two positions will be held by members of the National and Liberal parties. Hugo Cepeda, a former president of the Senate and now president of the Democratic Federation, is a member of the Republican Party. Therefore, the three political parties will have representatives in the leadership of this new political organization.

POLICE ATTACK DEMONSTRATORS, DETAIN THREE

PY151614 Paris AFP in Spanish 2158 GMT 12 Jul 85

[Text] Santiago, 12 Jul (AFP) -- Three demonstrators were detained today in Santiago near La Moneda Palace as they were demanding that the military government of General Augusto Pinochet explain the violent circumstances in which several of their relatives died. Some 30 persons gathered a few meters from the government house where they unfolded a banner saying that President Augusto Pinochet and General Cesar Mendoza, Carabineros commander, must assume responsibility, referring to a wave of political crimes committed in Chile during the past few months. According to foreign correspondents, the police took violent action against the demonstrators and detained two men and a woman, in addition to beating some reporters and photographers who were on the scene. In March 1985, three militants of the Chilean Communist Party were kidnapped and murdered by an unidentified group. Relatives of the victims agreed during the funerals of the three leftists that they would stage demonstrations similar to the one today every Friday until the guilty are caught.

MDP DEMANDS SOLUTION TO KILLING OF 3 COMMUNISTS

PY130035 Madrid EFE in Spanish 1413 GMT 12 Jul 85

[Text] Santiago, 12 JUl (EFE) -- The Popular Democratic Movement (MDP), a multiparty Marxist organization outlawed by the Chilean military government, has released a public statement demanding that the case of the three communists who had their throats slit definitely be solved. In the statement, the MDP states that a vast national consensus exists which cries out for the crimes to be solved, for truth, for justice, and for the guilty to be punished. The statement adds: This vast consensus demands an end to torture and to the terror that has turned into a raison d'etre and a favorite tool to subdue the Chileans.

The kidnapping and killing of Manuel Guerrero, the late chairman of the metropolitan council of the Trade Union of Chilean Teachers (AGECH); Jose Manual Parada, a sociologist working for the vicariate of solidarity of the Archbishopric of Santiago; and Santiago Nattino, a painter, all of them members of the Communist Party, took place between 28 and 30 March 1985. The case is being investigated by trial Judge Jose Canovas Robles. During the past few days, head of state General Augusto Pinochet conveyed a message to the Supreme Court of Justice asking that the proceedings be expedited.

In the meantime, the NDP and some opposition groups are stating that they are convinced that the police are involved in the case. Furthermore, the rightist magazine QUE PASA stated in its last editorial that doubt has not been sufficiently cleared. Nevertheless, government officials, such as official spokesman Jose Miguel Armendariz, director of the National Social Communications Agency (Dinacos), have reasserted that there are no policemen involved. Armendariz told a group of foreign correspondents that it is quite possible that the communists did the kidnapping and the killing seeking to discredit the government. He thus resurrected an official hypothesis that was voiced initially.

COMPTROLLER ON 'UNCOORDINATED, BANKRUPT' STATE

PA141703 Bogota EL TIEMPO in Spanish 8 Jul 85 pp 1 A, 8 A

[By German Santamaria]

[Excerpts] Rodolfo Gonzalez Garcia will be general comptroller of the Republic for only 1 more year. He said: "I am convinced that all reelections are bad." He will cease to be the man who watches Colombia's expenditure of almost 1 billion pesos every year. He also said: "This state no longer protects society but serves contractors." Then, he unhesitantly denounced: Foreign enterprises make fat profits and Mr Armand Hammer, chairman of Occidental, works with the millions of dollars that the country borrows, sells pipes to Colombia, and grants the contracts himself.

Gonzalez Garcia said: "All we can see from the Comptroller's Office is the calamities of an uncoordinated, bankrupt state." He asserted: "The country has not changed, the crisis of corruption continues to skyrocket, and there is still much to be done to prevent the passing of public money into private pockets."

Beyond his innocent passion for soccer, Gonzalez Garcia has on his desk evidence of the existence of a team of another sort: a list of 19,358 fraudulent foreign exchange operations committed by a broad sector of Colombians ranging from bishops and former ministers to generals and soccer players. He stressed: "Here is the whole country."

Later, he lashed out at the employees: "I would say the collection of kickbacks is so generalized a custom that it complements the salary of many public employees. Unashamedly, many officials say that this is a way of redistributing income in Colombia."

Garcia's discussion went beyond the officials: "In truth, it is contractors who control the country. They create the needs through the contracts that they themselves draft and then execute the work." His discussion went beyond contractors: "The Colombian state is no longer the organization that watches over the society's well-being and balance. Now it is an organization that watches over the interests of a class that contracts with the state."

Then, he touched on a painful topic. He said that the oil pipeline to extract crude oil from Arauca is debatable. He says that the Colombian Petroleum Enterprise [Ecopetrol] will lower its profits by $20 million by assuming the financial costs. "Colombia assumes all the investment through foreign credits, and Mr Hammer does everything from selling the pipes to granting the bids."

Gonzalez Garcia stressed that the country's alleged industrial bonanza is only a mirage. He said: "Foreign capital only results in debts in Colombia because the enterprises are not concerned over financial costs but the execution of operations to sell their equipment."

Garcia concluded: "With due religious respect, kickbacks are like the holy spirit. They are everywhere, yet on one sees them." With the same clarity, he admitted that, despite the efforts made and beyond the Comptroller's Office, everything remains the same in Colombia despite the fact that it was thought that everything would change during the current government. "The country has not changed. The crisis of corruption continues to skyrocket. There is still much to be done to prevent the passing of public money into private pockets."

M-19 WILL SUGGEST RENEWAL OF PEACE TALKS

PA122154 Madrid EFE in Spanish 2017 GMT 12 Jul 85

[Text] Bogota, 12 Jul (EFE) -- The guerrilla group, 19 April Movement (M-19), will send Colombian President Belisario Betancur a document containing a number of conditions to reach a new truce. This was learned today in Bogota.

Jaime Arizabaleta Calderon, former Valle del Cauca Department governor, who happened to be in Herrera on 1 July when M-19 occupied the town, was the spokesman for the new peace plan. Arizabaleta was commissioned by the guerrilla commander who led the assault on Herrera, Carlos Pizarro Leon Gomez, to deliver to the head of state a document that, according to Pizarro, states five conditions to renew the dialogue.

Betancur informed the former governor that he will meet with him to learn the demands by the guerrilla in an attempt to resume the peace process that his own government started.

On 1 July M-19 occupied Herrera for several hours. Four people were killed during this occupation. On 21 June Leon Gomez announced that the guerrillas were going to adopt offensive actions in view of the military harrassments against the M-19. The M-19 signed a cease-fire agreement with the government on 24 August 1984.

BETANCUR NOTES GUERRILLA SUPPORT FOR TRUCE

PA151453 Buenos Aires LATIN in Spanish 0143 GMT 11 Jul 85

[Text] Bogota, 10 Jul (REUTER) -- Ninety percent of Colombia's guerrillas have accepted a truce proposed by the government and will participate in next year's elections as a political force, Colombia President Belisario Betancur said today. The president was apparently referring to the most organized and oldest rebel group, the Revolutionary Armed Forces of Colombia, FARC, which has launched a political party, the Patriotic Union, that is closely linked to the Communist Party.

It is very difficult to obtain reliable information about the strength of the different Colombian guerrilla groups, but unofficial sources have said that they consisted of some 10,000 rebels, including some 6,000 from the FARC, before last year's truce.

Political sources have said that Betancur's veiled reference to the FARC could well be aimed at discrediting the 19 April Movement, M-19, the most active guerrilla group in the country, which recently broke the truce and resumed the armed struggle. The sources said that the M-19 decision was not well received by the people, most of whom still believe in the future of the peace process.

PRESIDENT ON DIALOGUE, DOMESTIC VIOLENCE

PA132009 Quito Voz de los Andes in Spanish 1130 GMT 12 Jul 85

[Text] President Leon Febres Cordero expressed his desire to maintain the best relations possible with Peru in order to maintain peace and to demand preferential treatment from OPEC for Ecuador. During a press conference held yesterday, he said he had no objections to a dialogue with the opposition. However, dialogue is difficult because the opposition's goals are different from ours, the president emphasized. I have always been in favor of a two-chamber congress which does not affect Conade, the National Defense Council, he added.

Some of the president's remarks included the following: The people should judge the government's administration; the country is progressing; the economy is recovering; better relations with all countries, particularly Peru; and the rationalization of the oil market is very important. We will defend our petroleum market. Ecuador has renogtiated 95 percent of its foreign debt, he added. The criminal wave is a structural problem and the government is fighting aginst this by improving the country's conditions, he said, emphasizing that the police situation is chaotic due to lack of resources. President Leon Febres Cordero also said that the administration is concerned about supplying the police department with its needs and blamed the political groups for the growing criminal waves in the country.

[Begin recording] The criminal problem has two aspects: One is the real criminal problem and the other is a political problem. There are some political factions in this country that are creating unrest. Although I do not have the evidence, I am sure that the kidnappings and violence in Guayaquil are connected to political groups and aimed at creating unrest in our main port. The psychological war against city residents last week and the constant telephone calls to homes threatening the Guayaquil residents are all part of those political groups activities. The paramilitary groups operating in Guayaquil have the support of political factions. We must confront those two aspects of the criminal problem with different methods. [end recording]

President Leon Febres Cordero also referred to the creation of a motorized battalion in order to control violence in Guayaquil.

FOREIGN MINISTRY FAVORS ARMS FREEZE AGREEMENT

PA121825 Quito Voz de los Andes in Spanish 1130 GMT 11 Jul 85

[Text] The Ecuadoran Foreign Ministry has referred to a recent statement by Peruvian President-elect Alan Garcia that was reported by international press agencies and published in local newspapers that on the occasion of his assumption of the presidency, Garcia will propose the signing of a regional agreement to freeze the arms race.

The Ecuadoran foreign minister recalled that Ecuador's permanent position has been to stress the necessity of limiting military expenses in order to have more funds available to promote the integral development of peoples. In this regard, he expressed his satisfaction, considering that the proposal made by the Peruvian presiden-elect coincides with the Ecuadoran position. The Ecuadoran Foreign Ministry feels that the current controversies on the continent should be solved peacefully, within an atmosphere of understanding and justice. In accordance with this Ecuadoran policy, the country's military purchases have been exclusively aimed at covering its legitimate defense needs, the Ecuadoran foreign minister concluded.

FINANCE MINISTER REPORTS ECONOMY IN RECOVERY

PA151507 Quito Voz de los Andes in Spanish 1130 GMT 12 Jul 85

[Text] Finance Minister Francisco Swett has said that Ecuador will deal with the possible drop in oil prices through a policy of incentives and diversification of Ecuadoran exports as well as foreign investment.

[Begin recroding] In the area of external accounts, although the drop in prices could affect the level of the international monetary reserves, it is also true that due to the terms of the foreign debt and the drop in interest rates, we have been able to [word indistinct] the international monetary reserves. I said earlier that we had collected a level of international monetary reserves that was insufficient. At this time the monetary reserves totals approximately $180 million. It is not sufficient, but we are going to accumulate more. We will achieve it through the policy of establishing incentives for the diversification of Ecuadoran exports and through the policy of foreign investments based on the existing laws and regulations.

With regard to the fiscal accounts, I said earlier that we have balanced fiscal accounts. Even though due to the drop in oil prices the treasury has lost approximately 15 billion sucres that had been included in the publice revenue, that loss has been offset through the measures affecting the income tax and customs duties. This year, the revenue from those sectors has increased approximately 50 percent compared to similar periods last year. In this way, we have been able to finance the public treasury's needs. This is how the current situation can be explained. Regarding the future, we will continue implementing the efforts we have already begun in both the fiscal and tax sectors and the balance of payments in order to achieve an appropriate balance between the external accounts and the fiscal accounts. By saying this, I am not denying that a crisis is possible. I am not trying to minimize the situation, but we believe that the situation I have just described will continue, and the Ecuadoran economy will continue its marked recovery. [end recording]

UNIVERSITY STUDENTS PROTEST BUDGET DEFICIT

PA152047 Paris AFP in Spanish 2025 GMT 15 Jul 85

[Text] Guayaquil, Ecuador, 15 Jul (AFP) -- University students clashed this morning with the police during violent demonstrations demanding that the government grant funds to solve the budget deficit at the Ecuadoran university. The students hurled Molotov cocktails at the police who resorted to antiriot vehicles, tear gas, and water hoses to disperse the rioting students at the Salvador Allende University campus. No casualties were reported.

ARGENTINE DEPUTY CRITICIZES STROESSNER GOVERNMENT

PY170314 Madrid EFE in Spanish 0751 GMT 16 Jul 85

[Text] Asuncion, 16 Jul (EFE) -- Sources of the National Accord, which is made up of four political parties opposed to the regime of Alfredo Stroessner, have said that the Argentine Government party, the Radical Civic Union (UCR), maintains the commitment for a democratic change in Paraguay. This commitment is the reason for the visit of Deputy Horacio Hugo Huarte, who was sent by the UCR to Asuncion on 15 and 16 July. In declarations to the press, Huarte objected to Stroessner's so-called democracy without communism. He labeled the regime authoritarian and dictatorial. Huarte said that there is no democracy in Paraguay. Democracy cannot exist where the state of siege has been in force for the last 30 years, where the daily ABC COLOR has been closed, where there is no respect for freedom of the press, where torture is practiced, where members of the opposition are constantly under surveillance, and where there is no state of law, he stated. The UCR deputy said that he made the same objections about the lack of democracy in Paraguay to the members of the official Colorado Party with whom he met.

The envoy of President Raul Alfonsin's party said: We are making efforts so that the Paraguayan people can define their future, and we are going to struggle to establish democracy in Paraguay. Huarte added that since there is no democracy in Paraguay, the government intentionally keeps the officialist Paraguayan deputies and the collaborationist deputies of the Liberal Party and the Radical Liberal Party, the only parties that participate in the Stroessner political process, from attending the periodic meetings of Argentine, Brazilian, and Uruguayan legislators.

Huarte met with leaders of the four political parties that make up the National Accord. They are the Febrerist Party (social democrat), the Christian Democratic Party, the Authentic Radical Liberal Party, and the Popular Colorado Movement (Mopoco). The government considers the last three parties illegal. The Argentine deputy also met with Msgr Ismael Rolon, archbishop of Asuncion and head of the Paraguayan Catholic Church, whom Huarte praised for his courageous struggle and commitment in support of human rights. The sources indicated that Huarte also met with Brazilian diplomats. It is believed that this meeting provided some peace of mind that the alleged disagreements between Brazil and Argentina will not affect their support for the parties opposed to General Alfredo Stroessner.

Huarte believes that the evolution of Paraguay and Chile toward a state of law is essential for the democratic consolidation of Argentina, Uruguay, and Brazil and that the countries of the region will not be able to overcome their economic and financial probelms without this consolidation.

CATHOLIC WEEKLY DEPLORES PRACTICE OF TORTURE

PY160347 Asuncion SENDERO in Spanish 12 Jul 85 p 3

[Editorial: "Why We Speak of Torture"]

[Text] We feel the need and obligation to speak of torture because cases of illegal mistreatment in police precincts have come to light in recent weeks. There have even been some deaths. The reports, including evidence of physical mistreatment, are a deplorable testimony that this debasing and criminal practice continues.

We have to speak of torture because the national constitution is not being strictly complied with, as it should be. The Constitution says: "No one will be subjected to torture or cruel and inhuman treatment." The many specific norms of international law, which repeatedly condemn this practice, are also not respected.

We have to talk about torture because we cannot be content to listen to hollow condemnations or official denials, and because we want to actively participate in the eradication of this social scourge so that the word torture will be no more than a sad remnant of the past.

We cannot be silent on the subject because until now in our country, police reports based on statements extracted under duress, despite the fact that all legal systems expressly forbid this practice, are used to initiate court procedings. We speak of torture because, although many cases have been reported and proven, we do not know of any perpetrators having been sentenced. In some cases, the authorities involved merely issued communiques denying the accusations. In other cases, court proceedings were initiated and then dropped. Once and for all, we must admit that remaining silent, "playing dumb," "looking the other way," and taking no interest in this matter are just forms of complicity with this degrading practice.

It should also be made clear that nothing is gained by hiding this evil or by not admitting its existence. Consequently, we gain nothing by denying the existence of torture in our country, because it does exist. We are duty-bound to firmly and straightforwardly denounce the existence of torture so that this practice can be eliminated through the investigation of all reported cases and the punishment of those responsible.

The national and international laws clearly stipulate that torture cannot be justified. An individual cannot be tortured for reasons of national security, or by orders from the government or legally constituted authority, or "from the top." An individual cannot be tortured on behalf of "Western and Christian civilization." Therefore, nobody is under any obligation to torture or to obey orders from anyone to do so.

Today's torturer is equivalent to the pirate or slave trader of the past. He is an enemy of mankind. He is also a cowardly criminal, because he perpetrates the crime against a totally defenseless individual by abusing power.

Today we also speak of torture because our Christian conscience is aroused by indignation. Man is the son of God and, therefore, his body is a living temple of the Holy Ghost and part of Christ's mystical body. All this elevates the dignity of the human being even more. Catholics clearly understand that whoever attacks man, attacks God; whoever injures, mutilates, or destroys a man's body is indeed injuring, mutilating, or destroying a creature of God. The Second Vatican Council clearly stated: "Anything that attacks human life, anything that violates it integrity, such as mutilations, moral or physical tortures, or similar practices are in themselves shameful, degrading to human civilization, disgrace the perpetrator more than his victim, and are detrimental to the honor due to the Creator."

There is no alternative but to eliminate torture as the most terrible of evils. Its perpetrators, instigators, abettors, and accomplices must be brought to justice and punished on behalf of the highest interests of humanity in general and our society in particular.

This is a challenge for the entire national community, but it is a more direct challenge for the state branches, the executive and the judicial powers, which must comply with and enforce the law lest they ignore their duties and become passive accomplices of such acts of perversion.

PRESIDENT-ELECT GARCIA'S CREDENTIALS SPEECH

PY101947 Lima Domestic Service in Spanish 1649 GMT 10 Jul 85

[Speech by President-elect Alan Garcia after receiving presidential credentials in preparation for his 28 July inauguration, from Romulo Munoz, acting president of the National Electoral Court, at Villa Mercedes, home of the late Victor Haya de la Torre, founder of the American Revolutionary Popular Alliance, outside Lima -- live]

[Excerpt] Mr President of the Peruvian Electoral Court, Messrs members of the Electoral Court, fellow countrymen;

The great significance and symbolism of this ceremony for us requires a few reflections, and I request your permission to make them. This is a ceremony that confirms the Peruvian democracy and confirms that the great and civilized countries are destined to be ruled by the exercise of their will and conscience in a representative democracy. This ceremony also confirms the purity and moral standards observed by the National Electoral Court throughout this irreproachable process that has clearly expressed the people's desire for a change.

Therefore, and because our condition as Peruvian citizens demands it, I want to pay homage to the National Electoral Court members who are here at this ceremony and, through them, to the court's president, Domingo Garica Rada, before whom we, as a nation, bow in the tribute.

I must also mention Mr Fernando Belaunde, constitutional president of the Republic, who deserves praise for calling and safeguarding the elections permitting a democratic and representative transfer of power. He merits special praise in the eyes of the members of the American Nationalist Revolutionary Alliance [APRA], which I want to point out. Although we have been adversaries for many years, which has led to Belaunde's handing over power to a representative of Haya de la Torre's party, and although we have historical and doctrinal differences, it must be taken into account that no shadows of meanness will cloud this ceremony.

The democracy being confirmed by this ceremony is not only a representative democracy, but also a social democracy that will ensure justice for all Peruvian citizens. Through it the state will ensure the participation of those who have been neglected throughout history. Democracy, which is experiencing an important ceremony here, must be complemented by a deeply nationalistic feeling that sustains nationalism in the peoples' sovereignty, which means that state and democracy belong to all Peruvian citizens and not to a privileged group.

Therefore, during my electoral campaign, I tenaciously repeated that, although I was an APRA candidate, I felt like the candidate of all Peruvians, and I undertook a commitment that I now confirm. I wanted Franklin Acosta, mayor of (Vicari) District where Haya de la Torre lived for so long, who is a member of another party, but whom I consider a close colleague to be here because I wanted not only APRA members but all Peruvians, even those who do not share our point of view and that of most citizens, to attend this important ceremony, during which I have undertaken a commitment before the Peruvian people and which I confirm with my own life.

It is well known that we will be taking over with the country in a dramatic and difficult situation. The increase in prices is due not only to the previous government's policy, but also to the structural evolution of our fatherland, which is subject to international conditions and exploitation.

Unemployment affects millions of Peruvians, who live in overcrowded, small rooms with their families, without even a piece of bread to fill their mouths. The devaluation of our currency, which is a national expression, reveals how our productive capability is slowly lagging behind.

These are dramatic and difficult situations, and the demands of various national sectors are just. The commitment that I have assumed to all Peruvians means a commitment to those who have been historically ignored, to the campesinos. It is a commitment that emerges from the history of the Andean people, which has been abandoned since the Spanish conquest, a commitment to the urban poor who have come from the Andes; a commitment that reaffirms itself with the workers. It is a commitment that in no way excludes the middle class, because it has business responsibilities that it must fulfill for the benefit of the rest of us Peruvians.

This, then, is the time of all Peruvians. From this desk of Haya de la Torre, the persecuted old man, the man who was vetoed, the man who was passed over by national history, I wish to say, in his name, because it is my turn to do so, that it is not Alan Garcia who is receiving these credentials. But it is through him that the Peruvian people are receiving them. We do not admit to any type of division between the APRA and people who do not belong to the APRA, because we are fundamentally linked by the duty and the commitment to fight to bring our fatherland out of the dramatic crisis that it is experiencing.

Therefore, Mr President, during this important and historical ceremony, I call on all Peruvians to exert their utmost effort within the limits of their responsibilities and to do it in the name of Peru, and also in the name of the very poor, to whom we have a commitment. As I have said, I will give what little I have to this cause, and that is my life and soul.

Democracy must not only be for us an awareness of participation, it also has to be a commitment to action. We need to give our fatherland's democracy a very profound sense of nationality that will be the answer to the subservient condition in which the great international economy has placed us. That will be the answer to the historical problem of having been turned into a crippled and poor country because a national plan was never put into effect.

That is why I pledge to redeem our anti-imperialist and emancipating democracy, so that, with the commitment of all Peruvians, it can be turned into an answer to the world powers that are using us. I say here that democracy, as an aswer to national freedom, should strengthen, according to [words indistinct] all the world the contents of Latin American integration, so that from here, as we will do in the future, we will call on all the countries of Latin America to give a common, democratic, and social answer to our serious problems of international domination.

I have said during my campaign, Mr President, that there is a question that is fundamental, and it cannot be disassociated from the problem of hunger, unemployment, and pain that affects the majority of the nation. The question refers to the historical debt that was amassed through injustice and unequal trade. The peoples of the Americas and their democratically elected officials must raise the banners of liberation from this debt for a new Latin America which is emerging into history, a new Latin America emerging onto the international stage, demanding respect for the destiny, well-being, and justice of its peoples.

The foreign debt is a Latin American question that confirms the old ideal of union and integration upheld by Raul Haya de la Torre, an ideal that he pondered so many times at this old desk. This issue must be raised by the poor of the world to confront those who deal overbearingly with the poverty of our nations through a strategy of wealth. The poor of the world then must raise this banner, which, as some have said, is the banner of the south, of our nations.

This banner has nothing to do with the East-West conflict with which some try to confuse it with.

It is up to us, after receiving these credentials, to join fraternally with the other democratically elected presidents of Latin America and to call on them to build democracies that are firmly founded on the future. It is worth repeating that attempts by nations to tackle their development individually have proven to be unsuccessful. So, it is up to us to give strength to a single anti-imperialist voice in Latin America, a voice raised in defense of its poor peoples, not on behalf of any other imperialism, a voice raised only in the name of profound social justice, of which Haya de la Torre spoke from this desk so many times.

The democracy we proclaim and defend is not a centralist democracy, not a democracy of injustice. Beyond this development directed from abroad, which has turned us into a coastal region in which only Lima counts, beyond this development in which more than our own will was subordinated to the will of others, we want a democracy for all Peruvians, including the inhabitants of all the provinces. The old villager, forgotten in poverty and neglect for centuries because he does not belong to any labor union that can defend him, is also a Peruvian. The man who arrives in Lima, fleeing from those neglected communities and finds no employment, is also a Peruvian. The state and the democracy we proclaim in social terms is one that must be consolidated for all Peruvians.

We must begin by decentralizing the nation's economy and by affirming the fair distribution of the nation's wealth. In this crisis, the credentials you have just given me and, through you, the Peruvian people, with 53 percent of their hopes, entitles me to say that I have the authority to ask all Peruvians, not just my APRA colleagues, not just the Lima workers, but the old villeagers and the disinherited of the land, and those who have the privilege of managing enterprises to share the hardships of the present.

If we are all Peruvians and want to affirm a new democracy in the face of this dramatic situation, which is the equivalent of a war, we all must equally share the sacrifices. The crisis must not be borne only by the people. Our history cannot be only the history of Lima. The crisis must not continue castigating, like the feudal whip, the backs of the neglected peasants. The crisis must not continue to shrink the purchasing power of the working men. It must not be only those who have some defense against the crisis who are exempted from it. The crisis must not exempt only those who can hold government jobs or those who have the shelter of wealth. The crisis is a part of all of us, just like Peru is a part of all of us, so it is our responsibility to share the crisis.

I ask those who have more not to be afraid of justice, not to be afraid of changes. We all need to share a larger share by those who have more, in the effort to lay the foundations, to sow the seeds of a different country, so that the state that you have just mentioned may serve all Peruvian citizens, not only those who have jobs but also the unemployed and the historically neglected peasants.

Mr President, throughout all the provinces I have visited I have heard a silent cry. It is the cry of those who cannot even make a demand. It is the cry of thousands of my fellow Peruvians who do not have a representative. I have said on behalf of Haya de la Torre, who from the foundation of the Espinar Province in Cuzco in 1917, experienced for himself the exploitation [gamonalismo] and the sorrow of our peasants, I have said that if no one speaks for them, the state must now speak for the poor of this land who do not have the right to speak or vote.

Democracy, then, must be the nation's affirmation; it must be social justice; it must be a commitment.

In this dramatic hour, when we are affected by so many problems, not only inflation and unemployment, but also subversion and violence through which many express their despair and others their criminal nature, democracy must be a commitment.

I call upon all my Peruvian companeros not to lose hope. I call upon them to keep their convictions. There will be inflation, and unemployment will not end as if by magic. The country will not produce more food or more industrial resources overnight. However, we are going to overcome these difficulties. We are going to shake off the yoke of injustice and misery, and we are going to start walking on the sands of a desert that will lead us to the promised land. My only request to all Peruvians is that they do not lose hope. The hope that was spontaneous during the elections must be continuously confirmed.

I have nothing to give but my loyalty to what I have learned from Haya de la Torre under this same roof. I have nothing to give but the hours, the days, or the years that God knows are left in my life, but I give them all in the service of the people, because I only have one responsibility: not to leave behind an obscure page of lies and deception upon my death. Therefore, I ask all Peruvians for help, commitment, and understanding.

In paying homage to Haya de la Torre, and praying to God, I am thankful for being here now. I beg your pardon for these words, but there was nothing else I could do. Mr. President, I want you to convey to Domingo Garcia Rada, the president of the Electoral Court -- a victim of democracy because he defended it -- the heartfelt greetings of the president-elect, the vice presidents-elect, and the people's party, who recognize the honesty of this process and recognize how our democracy, through this process, will be strengthened to the benefit of the future justice of the [word indistinct]. Thank you very much. [applause]

ALAN GARCIA DISCUSSES FUTURE AT APRA CONGRESS

PY131845 Madrid EFE in Spanish 1501 GMT 13 Jul 85

[Text] Lima, 13 Jul (EFE) -- Peruvian President-elect Alan Garcia has said that he will never resort to demagogy, that he will be faithful to those who voted for him, that he will be inflexible in his struggle against immorality, and that he will not allow the Peruvian economy to be run from abroad.

Last night, the president-elect spoke to his party members at the opening of the 15th National Congress of the American Revolutionary Popular Alliance [APRA] which is meeting to elect a new secretary general, a position now held by Garcia. It is possible that tomorrow, during the congress, Garcia may be appointed APRA president, a new position in the party founded over 60 years ago by Victor Haya de la Torre, who died in 1979.

Alan Garcia promised that he will carry out an anti-imperialist and emancipationist transformation of Peru because this is what the social democratic APRA party advocates. Alan Garcia pointed out that although his becoming president is very important for his party, the most difficult task still remains: to endure the isolation that power entails. Enough of a history of shame, of submission to imperialism, said Garcia, adding that he will carry out a real revolution with the support of the people.

The president-elect, who is going to be sown in on 28 July, said that Peru is going through a very difficult time but that there is nothing more rewarding than trying to solve the problems of an impoverished and starving country. He also promised to struggle against the centralization of the government in Lima and to support the provinces in their efforts to abolish the injustice affecting them.

He also said that the natural resources of Peru will be recovered and that no tax concessions will be granted to the foreign oil companies extracting oil from the country. Garcia admitted that suffering will continue for some time but said that justice will be done and all Peruvians will share the crisis and overcome it together.

Garcia emphasized that the Peruvian economic sovereignty will not be negotiated and that he will not allow the IMF to run our economy from abroad. He added: Our economy will not be an open market to the international economy because we are going to produce our own products and although the road will not be easy we are going to achieve the second emancipation: the economic emancipation.

Garcia called on the people of Latin America to struggle together. He added: Let us be united to our poverty and let us give dignity to Latin America just as Simon Bolivar and Haya de la Torre wanted it.

Garcia said that Peru and his party support Nicaragua because that small nation represents the sovereignty of Latin America. He rejected the enlightened despotism, and greeted the peasants and street vendors because they are the revolution.

In conclusion, Garcia said that the government will be inflexible against the triple sin of being a thief, an opportunist, and one who sacrifices the interest of the people because the Peruvian people no longer want abuse, bribes, and treason. The president-elect added: We have talked to the people, urbi et orbe, in order not to leave the APRA open to all types of opportunists and to give it a new opportunity to thrive.

Proclaimed APRA President

PY162057 Buenos Aires REUTER in Spanish 2057 GMT 15 Jul 85

[Text] Lima, 15 Jul (REUTER) -- Peruvian President Alan Garcia Perez, elected to lead his party, the American Revolutionary Popular Alliance [APRA], has emerged politically strengthened from a 4-day party congress that ended today, according to delegates. They stated that more than 1,100 delegates voted unanimously for Garcia, 36 years old, to become APRA president, a post created by new rules approved over the weekend.

Garcia, the former secretary general, now has more powers in the restructured party, the delegates stated. He will preside over all internal APRA organizations, including the committee in charge of party policy.

The post of secretary general, which had previously been the top post, will now be held jointly by two party veterans: Armando Villanueva and Luis Negreiros, a union leader.

APRA, founded 61 years ago, will assume power on 28 July for the first time in its stormy history. Proscribed for almost half its existence, APRA maintains strict control over its members. Party sources have stated that its internal discipline code is 35 pages long.

GARCIA CALLS FOR MAYORS ASSEMBLY ON FOREIGN DEBT

PY081812 Lima Cadena Panamericana Television in Spanish 0115 GMT 8 Jul 85

[Text] President-elect Alan Garcia had a frantic day today. In a speech he made at the ceremony to inaugurate a sports complex in La Perla, he said that the American Revolutionary Popular Alliance government will not sacrifice the children and the poor to pay the country's foreign debt. Here is an excerpt of what Alan Garcia said:

[Begin recording] Nothing will keep me from continuing to be, as I have said, the president and leader of the people, one who will initiate the task of ending the injustice and underdevelopment that weigh down on our fatherland; one who will take the fundamental steps to make our country independent of the tutelage and dominion by the imperialist power of the financial agents and of other countries. [scattered applause]

I do not come to tell my people that on 29 July the prices will come down, unemployment will disappear, and diseases will be cured by magic. I am telling you that we will start moving down the road that will make all that possible, but that we will continue to suffer the effects of the historial crisis that will be left behind. They are leaving the government to us because they can no longer take anything away from Peru; they are transferring the government to the people in this despairing situation so they can return if the people fail.

I can only say that the struggle against rising prices will be difficult, because to keep them from rising we need to produce more. I can say that the struggle against unemployment will be long and hard, because to win we need to create more jobs and obtain more resources. However, I say that on this road of difficulties that will continue you should know that we will not be a government at the service of the foreign banks or wealth. I say that it is one thing to suffer so that others can get fat and another to make efforts and endure sacrifices to build a better society in our country and to give our children greater justice and freedom. [applause]

From this ceremony and from this municipal rostrum, I call and ask the mayors of all Peru, the provincial and district mayors, to exhort their people to stand up to greet the advent of a new historial era that will depend on the unity of all of us. I ask the mayors of all Peru to take to their people the new message that we will do something different and better, even in the face of difficulties. We will face these difficulties, not to benefit injustice, but to reconstruct Peru. From this rostrum, as a representative of the Peruvian people, I call and invite all the Peruvian mayors to give me their support to defend Peru so that a single Peruvian voice will speak to the banks and countries to which we are indebted; so that the single voice of the executive branch, the legislative branch, and the municipal assemblies can be raised, along with that of all the people, to defend our right to independence and sovereignty. [applause]

I have chosen this occasion to ask for a meeting of all the provincial and district mayors of Peru so that we can discuss with them the new propositions, so that they, who directly and democratically represent their peoples, can establish a single national decision, a single national will, a single national destiny, with the new authorities elected on 14 April. I believe that a national assembly of provincial and district mayors will have the necessary force to convey to the people the message of national sovereignty, independence, and dignity. And I believe that the fundamental agenda of that great assembly should be the question of the foreign debt, which is one of the worst legacies the governments of the recent past are leaving to this government of the people, which wants to initiate a march along a different path. [end recording]

TERRORISTS BLOW UP MICROWAVE PYLON IN CHACAMACHAY

PY162223 Paris AFP in Spanish 1503 GMT 16 Jul 85

[Text] Lima, 16 Jul (AFP) -- The state enterprise National Telecommunications Enterprise of Peru [Entelperu] today reported that terrorist commandos blew up a microwave pylon, cutting communications with the Huanuco, Ucayali, and San Martin Departments in the Peruvian central jungle area.

The attack occurred 3 days ago in Chacamachay, 4,300 meters above sea level and about 340 km east of Lima. This area is remote, which is why it took some time to learn that communications were out because of the explosion. The company also reported that in addition to the interruption of telephone communications in the three departments, telex and television transmissions were also cut off. Banking, commercial, and industrial activities were also seriously affected in this Amazon region by the attack.

Entelperu pointed out that it is trying to restore services with emergency equipment because installing a new pylon will take about 20 to 30 days.

EUROPEAN HUMAN RIGHTS GROUP MEETS WITH OFFICIALS

PY101545 Paris AFP in Spanish 0228 GMT 9 Jul 85

[Text] Ayacucho, 8 Jul (AFP) -- A delegation of the Permanent Coordinating Council of the European Committees for Human Rights Defense in Peru that is visiting the country today expressed interest in the status of the judicial process against those who have been indicted for the killing of eight journalists on 26 January 1983.

The delegation, which is headed by the Argentine Adolfo Perez Esquivel, has been in Ayacucho, 575 km southeast of Lima, since last Sunday, 7 July, investigating human rights violations in the zone, which has been placed under military control to cope with the Shining Path subversives.

Today the delegates met with the president of the Ayacucho High Court, Huaylla Guillen, to talk about the court proceedings related to the killing of eight journalists in Uchurracai, which is located about 50 km northeast of this city.

The delegates also expressed interest in the status of the investigations of several mass graves found in Pucayacy, 50 km north of Ayacucho, in August 1984. The remains of some 50 people were found and most of them have not yet been identified. Those responsible for these illegal executions have not yet been identified.

Perez Esquivel and the delegates also talked with court officials and military authorities of Ayacucho.

The delegation will return to Lima on 9 July.

LUSINCHI ON MAINTAINING OIL PRICES, OPEC UNITY

PA160155 Buenos Aires REUTER in Spanish 1821 GMT 14 Jul 85

[Text] Caracas, 14 Jul (REUTER) -- President Jaime Lusinchi has stressed Venezuela's determination not to reduce oil prices before the OPEC meeting scheduled for 22 July.

During a governor's meeting held Friday at Maragarita Island, Lusinchi said, "We are part of OPEC, and it would not be right for us, in correct implementation of the commitments we have with that organization, to be the first to lower the price of our heavy crude." Lusinchi said that OPEC is vital, not only to oil-producing countries, but also to the conceptual defense of the Third World's natural resources.

Oil industry sources said here last week that the Venezuelan position has seriously affected its markets, and in the next few days exports might dwindle to almost half estimated levels.

The Venezuelan decision to await the OPEC meeting clashes with the reduction last month of the price of Mexican Maya heavy crude, which is being priced at $3 a barrel less ($23.50) when sold to the United States. Venezuelan crude is still priced at $2 above that price, or ($25.50).

Will Remain Loyal to OPEC

LD151157 Vienna OPECNA in English 1000 GMT 15 Jul 85

[Text] Caracas, 15 July 85 (OPECNA) -- President Jaime Lusinchi has ruled out any immediate cut in the price of Venezuela's heavy crude, saying: "We will not be the first in OPEC to take the measures." He said the decision should be left to the organization to choose an "opportune" moment. The unity of OPEC, he explained, was vital "for the conceptual defence of mineral riches and non-renewable natural resources in Third World countries." No country, he added, had the right to "hurt an instrument of the importance and international dimensions of OPEC."

Addressing state governors from eastern Venezuela, Lusinchi said: "It is not possible that there is going to be a collapse or a shock, as far as oil prices are concerned."

"In no way are we facing a catastrophe. The industrialized world has achieved success with its substitution policies, its restrictive measures and in its war against OPEC. But all that is coming to an end."

The president said the question now was how to face the attacks and administer with reason and seriousness our resources, to have faith in OPEC, to conserve its unity and to maintain loyal conduct. He was confident this approach would "bear fruit in the short term."

Lusinchi said the oil market had been deteriorating since 1981. The decline in market capacity had been progressive, conditioning a decrease in OPEC production and undermining prices. He said oil producers were made "victims" of policies followed by industrialized countries with their extraordinary resources, both financial and technological. The lesson for OPEC was that its members should "manage their oil more carefully."

PARTIAL ELECTORAL RESULTS FROM VARIOUS REGIONS

FL152010 [Editorial Report] Mexico City NOTIMEX in Spanish at 0320 GMT on 14 July begins reporting partial results of the 7 July elections from various parts of the country. A highlight of these results follows:

So far the PRI has obtained 12 of the 40 districts in Mexico City on the basis of the relative majority principle. According to PRI data, these are the winners and their alternates: Rafael Lopez Zepeda and Alfonso Hidalgo Lopez in District 4; Adrian Mora Aguilar and Enrique Carlos Rubio Gonzalez in District 8; Francisco Berlin Valenzuela and Maria Guadalupe Loyo y Sepulveda in District 17; Luis Manuel Altamirano Cuadros and Juan Ignacio Sordo in District 19; German Parra and Ignacio Huempa in District 26; Gilberto Nieves Jenkins and Jose Eduviges Martinez in District 27; Maria Emilia Frias and Armida Sanchez Arellano in District 30; Fernando Ortiz Arana and Maria de la Luz Estela Tirado in District 21 [as received]; Alfonso Reyes Medrano and Emilio Jose Aguirre in District 34; and Socrates Rizo Garcia and Victor Gomez Avina in District 38.

From other parts of the country, reports are still somewhat sketchy and incomplete, but some of the names and figures mentioned follow: In Mexicali, the elections for federal deputies broadly favored PRI, according to the Federal Electoral Commission., CFE, which released these names and figures: Rogelio Preciado, with 24,374 votes against the National Action Party's [PAN] 12,178 in District 2; Margarita Ortega de Romo with 59,078 votes against PAN's 37,089 in District 4; Rafael Saenz, with 24,374 votes against PAN's 12,178 votes in District 5.

In Sinaloa, the PRI won in District 3 with Alfonso Niebla Alvarez who obtained 14,688 votes; in District 9, Renato Bega Alvarado with 30,788; Marco Antonio Espinoza Pablos in District 2 with 44,697 votes; Salvador Robles Quintero in District 6 with 61,537 votes, Salvador Esquer Apodaca in District 1 with 32,137 votes; and Diego Valadez in District 4 with 39,429 votes.

In Aguascalientes, PRI winners were Alfredo Gonzalez Gonzalez and Miguel Angel Barberena Vega, for Districts 1 and 2, respectively. The former obtained 90,897 votes, the latter 52,258 votes.

In Sonora, PRI winners were Eleno de Anda Lopez in District 3 with 23,099 votes; Bulmaro Pacheco in District 4 with 48,122 votes; Ismael Torres Diaz in District 5 with 31,151 votes; Jorge Acedo Samaniego in District 6 with 32,930 votes, and Francisco Villanueva Castelo in District 7 with 38,599 votes.

PRI also won in some of Hidalgo's districts, with available details as follows: German Corono del Rosal in District 1 with 49,230 against PAN's 8,150 votes; and Amelia Olguin Vargas in District 3 with 47,441 votes against PAN's 4,292.

Victory in Guanajuato again went to PRI candidates for governors and deputies, according to CFE data. The winner in District 1 is Nestor Raul Luna Hernandez who obtained 21,104 votes. In Peubal, PRI has so far won in 14 electoral districts and Blas Chamusero has reportedly won in District 1 with 24,838 votes; Eleazar Camarillo in District 4, with 38,554 votes; Victor Hugo Islas in District 5 with 51,165 votes; and Melquiades Morales in District 7 with 102,871 votes. Other winners mentioned in this state are Heriberto Morales Arroyo with 80,417 votes; Carlos Palafox with 84,363 votes; and Antonio Tenorio Adams with 60,193 votes.

In San Luis Potosi, PRI won in several of the electoral districts, and Florencio Salazar was elected governor with a total of 393,486 votes. The party has announced this following names as those of its winners: Teofilo Torres Corzo in District 1 with 29,380 votes; Marcelino Rodriguez Silva in District 2 with 39,940 votes; Antonio Sandoval in District 3 with 56,110 votes; Rosa Maria Armendariz in District 4 with 54,432 votes; Alberto Mercado Araiza in District 5 with 46,317 votes; Alfonso Lastra Ramirez in District 6 with 35,653 votes; and Roman Gonzalez Ayala in District 7 with 65,793 votes.

In Guerrero, PRI won in several districts and winners have been announced as Porfirio Camarena Castro, Alicia Buitron Brugada, and Jorge Montufar Araujo.

In Guadalajara PRI candidates for deputies also won in Jalisco's 20 electoral districts, according to the local electoral commission, with PAN running second.

As for Tamaulipas, the Authentic Party of the Mexican Revolution [PARM] got the most votes in local District 1, with the winner being national PARM leader Carlos Cantu Rosas. The party obtained a total of 19,860 votes against 17,556 cast for the PRI.

Finally the CFE announced this morning that most of the 212 districts counted throughout the country went to the ruling PRI, with only 4 going to the opposition -- 3 for PAN and 1 for right-winger PARM. According to the CFE, the opposition parties won districts in Chihuahua, Juarez, Durango, and Nuevo Laredo. Abstentionism reportedly totaled 50.04 percent. Finally, it has been stressed in the local media that PRI's strongest opposition in Sonora, the PAN, was virtually crushed in these elections according to the official data released. The last of these reports was received a 1423 GMT on 15 July.

More Results

PA160240 Mexico City XEW Television Network in Spanish 1300 GMT 15 Jul 85

[Excerpts] The Federal Electoral Commission session, which began at nearly 1100 yesterday, ended shortly after 0200 early this morning. The results of the election in 212 districts of the country were announced. The results of the remaining 88 districts will be announced today at noon.

In the 212 districts where votes have been computed, the PRI won 208 deputy seats, the National Action Party won 3, and the Authentic Party of the Mexican Revolution won 1. This latter seat was won by Carlos Cantu Rosas in the first district of Tamaulipas State.

It is whorthwhile to mention that abstentionism continues to be high. Of the 21 million citizens registered in the 212 districts with votes already counted, 10.5 million did not cast their votes. This means abstentionism ran as high as 50 percent.

While the results of the election for federal deputies still have not been announced, the Revolutionary Workers Party and the Mexican Workers Party are in danger of disappearing because in the overall election they have not attained the 1.5 percent required by electoral law. According to reports sent to the Federal Electoral Commission, no serious incidents occurred during the election in the districts already counted. During the commission session, however, representatives from several parties filed some complaints. For instance, the Unified Socialist party of Mexico [PSUM] has asserted that the election results do not represent the voters' true will and that the election figures were inflated in favor of minority parties.

The PSUM, however, stressed the high degree of abstentionism. The Democratic Party pointed out that the election was peaceful, but not clean. In addition, Government Secretary Manuel Bartlett indicated that the process has not yet been completed. The commission must publicly consider and make judgments regarding all disagreements related to the election with participation from all political representatives. Then it will finally announce its decisions.

[Begin recording] [Bartlett] The deadline for the parties to say which districts they want thoroughly analyzed by the commission ends on Monday 19 July. These sessions could begin Monday at 1700 to consider each district that the parties want analyzed in depth. We still have a great and important task ahead. We will be able to freely discuss each of the cases mentioned by the parties. I hope that the two important events that concluded today -- the election and the vote counting by districts -- can be crowned with an arduous, detailed, in-depth work through this analysis, so the electoral can have all important information. This long process will then conclude. This national political analysis has had the participation of all Mexican citizens and hundreds of thousands of representatives and officials. [end recording]

Finally, the Electoral Commission agreed to meet again at 1800 next Sunday to supervise the election computations. The commission will announce at noon today the results of the 88 districts that remain to be computed. Beginning next week, the commission will analyze the results of each district to confirm or reject the certificates of majority already delivered to the would-be deputies. Later, the electoral board, formed by 100 would-be deputies after analyzing each case will declare those who will form the 53d legistlature as deputies-elect.

Final Count Reported

PA162108 Mexico City XHDF Television Network in Spanish 1955 GMT 16 Jul 85

[Excerpts] The Federal Electoral Commission has released the overall results of the vote counting in the 300 electoral districts. The Institutional Revolutionary Party has come out the winner in 292 districts, the National Action Party won in 6 districts, and the Authentic Party of the Mexican Revolution won in 2 districts.

KUWAITI OIL MINISTER ARRIVES, VIEWS OIL MARKET

PA161545 Mexico City XHDF Television Network in Spanish 0100 GMT 10 Jul 85

[Text] On arriving in Mexico, Kuwaiti Oil Affairs Minister 'Ali al-Khalifah al-Sabah declared that all the OPEC countries can overcome the current low demand for crude. He said that Mexico has done much to stabilize the oil market. One of its principal actions has been to permit its production for exportation to fall below 1 million barrels.

The Kuwaiti oil official was greeted at the international airport in Mexico City by Francisco Labastida Ochoa, Mexican secretary of energy, mines and parastatal industry.

COSTA RICA

LAS CRUCITAS INCIDENT MAY GO TO HAGUE COURT

PA160414 San Jose Radio Reloj in Spanish 0100 GMT 16 Jul 85

[Text] Costa Rica will consider taking the attack at Las Crucitas to the International Court of Justice. The case involving the killing of two civilian guardsmen and the wounding of seven [as heard] others at the border area of Las Crucitas on 31 May may be submitted by Costa Rica to the International Court of Justice at the Hague. This was stated by Foreign Minister Carlos Jose Gutierrez when he said that he has asked for a legal study about the scope of the suit and the results of the investigation made by an OAS investigating commission.

The report of the OAS commission of inquiry categorically states that the shots that killed two civil guardsmen and wounded seven others came from the Nicaraguan side of the banks of the San Juan River, which proves that the armed attack was originated by the Sandinist People's Army.

International law experts will make the study at the request of the foreign minister. Gutierrez asked (Manuel Fez), legal adviser and attorney general [as heard], to prepare the study on the possibility of taking the armed incident of 31 May at Las Crucitas to the International Court of Justice. Two professors of international law will help (Fez) prepare the study. Gutierrez did not name the professors, but they are experienced in the matter.

In the opinion of the foreign minister, the incidents took place in a [word indistinct] and this would allow Costa Rica to take recourse to the International Court of Justice. However, the scope of this effort from other legal angles must be determined.

The opening of direct talks between Costa Rica and Nicaragua in Panama is still uncertain, Gutierrez said. For the time being no decision can be adopted because it is necessary to wait for the Contadora Group to meet, which it will do starting Sunday, to determine if it agrees to take part in the talks, the foreign minister added. In addition, the Contadora Group must decide if it accepts France's participation in the talks, as proposed by Nicaragua, Gutierrez said.

President Monge conditioned the dialogue with Nicaragua on the Contadora Group's acceptance. The participation in the direct dialogue to seek final and lasting solutions to the border conflicts, which Nicaragua has proposed, is conditioned upon acceptance by the Contadora Group. President Monge stated categorically that Costa Rica would participate in the talks provided these efforts do not undermine the efforts of the Contadora Group to find an overall solution to the conflict in Central America. Besides, the talks would be held by Foreign Ministry officials and not at the level of heads of state as some have tried to perpetuate.

The Sandinists use Costa Rican newspapers but deny space to our country. Although the Sandinists frequently use the Costa Rican media to publish official statements of their government as paid ads, they have denied space to our country on several occasions. The last time that the Sandinist newspapers refused to publish an official version of the incidents at Las Crucitas was last month, when a [word indistinct] of LA PRENSA did so after the text had been censored on two occasions. BARRICADA publishes absolutely nothing because it is the official newspaper of the FSLN, and El NUEVO DIARIO feels that the publication of an official Costa Rican Government communique is not advisable for its readers. The Sandinists take advantage of freedom of the press but deny it to others.

The Sandinists widely take advantage of the traditions of democracy and freedom of the Costa Rican news media but deny this universal right even to a government like that of Costa Rica.

The refusal of the government newspapers in Managua to publish an account of the events at Las Crucitas in further evidence of the contemptuous manner in which those governing the neighboring country in the north handle their bilateral relations with Costa Rica. Some people feel that the newspapers and other news media should take a look at Nicaragua and apply the same measure to the Sandinist regime, which does not even allow a neighboring government to publish its points of view.

SANDINIST MEDIA CHARGED WITH BLOCKING FOREIGN NEWS

PA162011 Panama City ACAN in Spanish 1739 GMT 16 Jul 85

[By Juan Ramon Rojas]

[Text] San Jose, 16 Jul (ACAN-EFE) -- The Costa Rican Foreign Ministry has stated that the Sandinist newspapers are refusing to print any official Costa Rican information, while the Nicaraguan Government uses the Costa Rican media to make public its official communiques. The Costa Rican newspapers frequently print in the form of paid advertisements "official information of the Sandinist government, which in this way presents its version of developments that have some relation to bilateral relations between the two countries," an official communique indicates.

"These media sources have no qualms about receiving official Sandinist writings," the Foreign Ministry note says.

On the other hand, after the 31 May Las Crucitas border incident in which two Costa Rican civil guardsmen were killed and nine wounded during an ambush, the Costa Rican Government "sought to report the facts as they happened to the sister people of Nicaragua, but evidently they only receive the official versions prepared by their authorities," the note continues.

The Costa Rican Foreign Ministry communique states that this was impossible because the Nicaraguan papers, with the exception of LA PRENSA, refused to print the Costa Rican report. The note includes a telex issued by Carmen Rojas, the Costa Rican charge d'affaires in Managua, explaining to the foreign minister that the communique "was published after being subject to censorship twice."

BARRICADA, the official voice of the ruling FSLN, did not carry the Costa Rican communique, while the pro-Sandinist EL NUEVO DIARIO "decided that although it was not subject to censorship, it was not a good idea to publish it," the Costa Rican official in Managua reported.

The foreign minister compared this situation with the one that prevails in Costa Rica regarding Sandinist publications. The Sandinist government has ordered the publication of at least 10 pages, at a rate of $600 per page, in LA NACION, the newspaper with the largest circulation in Costa Rica, to present its points of view on the much publicized border incidents. These include the letters from President Daniel Ortega to Costa Rican President Luis Alberto Monge asking him to begin bilateral talks to establish a demilitarized zone on the Costa Rican-Nicaraguan border to end tensions between the two countries.

Also printed were the two most recent protest notes issued by Nicaraguan Deputy Foreign Minister Nora Astorga, denouncing the presence of "contras" in Costa Rica and an attack against La Penca base, held by the Sandinists for the past month, allegedly stated from Costa Rica.

Last Sunday the Sandinist government had printed a page carrying the statements President Ortega issued during a long interview with the Costa Rican news program "Notiseis," in which he insisted on the urgent need for a meeting of Central American presidents to seek solutions to the regional tensions.

FINANCE MINISTER COMMENTS ON FOREIGN DEBT

FL162119 Mexico City NOTIMEX in Spanish 0030 GMT 15 Jul 85

[By correspondent Miguel Angel Vargas Q.]

[Text] San Jose, 14 Jul (NOTIMEX) -- Costa Rica's public and private and foreign debt amounts to $4.2 billion and most of it, $1.4 billion, is owed to commercial banking institutions.

Ennio Rodriguez Cespedes, recently appointed minister counselor for finance and external debt, has pointed out that the foreign debt amounts to $3.45 billion. The newly appointed minister says he did not know the amount of Costa Rica's private foreign debt.

NOTIMEX received reports that this country's private foreign debt amounts to $750 million, which added to the public foreign debt makes a total of $4.205 billion.

BANK CHAIRMAN CONTRASTS ECONOMY, DEBT PAYMENTS

PA161953 Paris AFP in Spanish 1819 GMT 15 Jul 85

[Text] San Jose, 15 Jul (AFP) -- Reactivation of the Costa Rican economy is choking on the payments of the foreign debt, the interest on which consumes nearly all of the capital resources this country receives in loans and donations, Central Bank Chairman Eduardo Lizano has said in San Jose. With a debt close to $3.8 billion, he pointed out, Costa Rica has in the past 3 years achieved a financial and monetary stability based on the growth of nontraditional exports to new markets.

In statements to a local newspaper, the official explained that in order to achieve a reactivation "we need to catch our breath a little as far as the debt is concerned," so that the capital entering the country can be invested in productive areas. At least half of what we now pay in interest should be used in reactivating the economy, he said, pointing out that in spite of the renegotiations, the service on the debt remains "excessively heavy," to the point that "it hinders liberating important amounts of foreign aid to devote them to increased export production."

The current stability, he warned, "will be short-lived" unless we have a reactivation -- an increase in nontraditional exports -- and it appears that financial and monetary normalcy will end with the current administration, due to leave office on 8 May 1986.

Cost Rica, whose exports barely reach $1 billion, should pay in 1985 approximately $380 million in interest on its debt. "We must see that our sources of foreign financing keep contributing capital and at the same time accept the cancellation of half of what we now must honor," Lizano said. "In this manner," he stated, "we would still have between $150 and $200 million every year that we could devote to development programs." Lizano said that in order to fight for these conditions it is necessary to have political power, which is difficult for an outgoing administration. Therefore, the new administration to be elected in February 1986 should proceed to renegotiate the debt "without wasting time" and obtain new funds.

Meanwhile, the minister counselor on foreign debt, Ennio Rodriguez, said last week that Costa Rica will continue facing its debt and will adopt a "standby" attitude in the face of a possible strike by Latin American debtors. The official said that during the previous administration President Rodrigo Carazo declared a halt of payments, as Cuban President Fidel Castro is now proposing, but all he obtained from this was "all credits and donations being cut off and legal cases being brought against him."

President Monge's current administration decided in 1982 to get up to date and meet all obligations on time, which has made the foreign debt "manageable," he said, adding that the debt was uncontrollable in 1981. At present, he said, we have renegotiated our debts up to 1987, and although they continue growing, we hope they will eventually start declining as of the next decade, when the structural reforms of our productive sector will be effective and allow us to increase our nontraditional exports to markets outside Central America.

Meanwhile, a World Bank mission is expected here this week to discuss with local officials a new extension of a structural adjustment agreement negotiated between both parties. The agreement, which should be approved by the legislature prior to 17 July, calls for $300 million in financing that will serve for "a better use of production systems and an increase in exports."

EXPORTS MINISTER, DEPUTY FOREIGN MINISTER RESIGN

PA161959 Panama City ACAN in Spanish 2201 GMT 15 Jul 85

[Text] San Jose, 15 Jul (ACAN-EFE) -- Exports and Investments Minister Jorge Manuel Dengo and Deputy Foreign Minister Jorge Urbina have resigned their posts in order to participate in political activities.

Urbina will be in charge of the Propaganda Directorate of the ruling social democratic National Liberation Party (PLN) effective tomorrow.

Dengo, who has been named PLN vice presidential candidate, will leave his post on 31 July to work full time on his campaign.

The PLN will participate in the 2 February 1986 elections with Oscar Arias Sanchez as its presidential candidate. He will run against Rafael Angel Calderon Fournier, the candidate for the opposition's Social Christian Unity Party (PUSC). Exports Minister Dengo will be replaced by Rodolfo Quiros Guardia, who will assume his post on 1 August. Jorge Urbina's replacement as deputy foreign minister has not been announced.

EL SALVADOR

COMMUNIQUE REFUTES ORTEGA CHARGES OF TERRORISM

PA161839 San Salvador Radio Cadena Sonora in Spanish 1530 GMT 16 Jul 85

[Communique issued by the Salvadoran Foreign Ministry dated July 1985 -- specific day not given]

[Text] The Foreign Ministry has lodged a strong protest before the Nicaraguan Foreign Ministry in relation to the false and tendentious accusations made by Commander Daniel Ortega Saavedra during a meeting attended by several Latin American military leaders and a representative of the Inter-American Defense Board on 10 July.

On that occasion, he unfoundedly said that the Salvadoran Government supports state terrorism against Nicaragua, through the armed opposition currently struggling against the Managua totalitarian and aggressive regime. Here is the text of the protest note:

Mr Minister:

It is my duty to file before Your Excellency the strong and firm protest by the people and Government of El Salvador for the unfounded and irresponsible charges made by Commander Daniel Ortega Saavedra in the sense that my government foments state terrorism through an alleged supply of weapons and war materiel to the anti-Sandinist groups.

In this respect, Your Excellency knows very well that if any government foments terrorism and subversion in Central America, it is precisely the government ruling Nicaragua at this time. The previous statement cannot be considered an unfounded accusation or assertion. It is a reality that the Nicaraguan Government is trying to hide behind its insulting and denigrating charges, which cannot conceal its direct participation through encouragement and promotion of many demonstrations of state terrorism. Or has Your Excellency forgotten the participation of representatives of your government in the funeral rites of its proteges Ana Maria and Marcial, brutally murdered by their own companeros, which your government tried to conceal first and later distorted. This, and many other actions are evidence of your government's solidarity and militant support for the armed bands that bring mourning to our nation and whom your ambassador to Guatemala, with your obvious support, recently described as the most just and heroic in Latin America. Neither can Your Excellency deny, among other things, the smuggling of arms, war materiel and other military training equipment for the Salvadoran rebels, which is a routine job performed by your support and intelligence network. These weapons are used to intimidate and brutally massacre our people in orgies of blood, like the one carried out by your proteges on 19 June in San Salvador.

Consequently, Commander Ortega's charges against my government can only be considered as the most audacious and hypocrticial action by any president in recent times. However, Your Excellency, no one can deny that this is a normal attitude assumed by former terrorists who today subdue their people's freedom.

In conclusion, I would like to suggest that Your Excellency accept without blushing the goodness that the pluralist and participative democracy offers to the Salvadoran people, who on four occasions have emphatically ratified their rejection of the totalitarian pretentions of your terrorist friends. In reiterating my government's most vigorous and firm protest over Commander Ortega's wicked charges, I take this opportunity to reiterate to Your Excellency the assurances of my highest esteem.

Signed: Rodolfo Antonio Castillo Claramount, vice president of the Republic and foreign minister

We have experienced the permanent intervention of the Sandinist government through logistical, material, diplomatic, political, military, and propagandistic support for the rebels in our country who are currently struggling against a legitimate government elected in truly democratic elections. These actions have been further intensified now with fallacious ideological and verbal attacks, which have been made in an imprudent manner, completely waiving the most elemental norms of peaceful coexistence between civilized nations. The Salvadoran Government reiterates that it maintains its policy based on its strict respect for the principles and norms of international law, particularly with respect to the self-determination of peoples and nonintervention in the internal affairs of other states, as the basis for a balanced and harmonious coexistence between peoples and nations.

Therefore, the Salvadoran Government emphatically rejects the interventionist, provocative, and warmongering attitude of the now arrogant Sandinist commanders.

San Salvador, July 1985

HONDURAS

PAZ BARNICA ON BORDER TALKS WITH EL SALVADOR

PA161728 Panama City ACAN in Spanish 2008 GMT 14 Jul 85

[Excerpt] Tegucigalpa 14 Jul (ACAN-EFE) -- Honduras expects the Salvadoran Government to demonstrate with deeds the goodwill it has expressed to date about resolving a border problem that is more than a century old, an official source said today. On Wednesday and Thursday of last week Salvadoran President Jose Napoleon Duarte held intensive working meetings with his Honduran counterpart, Roberto Suazo Cordova, in La Paz, Honduras.

"Ninety-five percent of those meetings dealt with the border issue, the need to speed up direct and bilateral negotiations and to try to obtain acceptable and honorable solutions for both countries in 5 more months," Honduran Foreign Secretary Edgardo Paz Barnica said. He said: "If agreements to define 33 percent of the common border and complete the total demarcation are not reached, as well as accords on insular and maritime territories, the case will go to the International Court of Justice." The foreign secretary said: "We are prepared for an international trial with European international law consultants, with documentation for our claims, with an embassy in the Hague, the seat of the high court, and with all the collateral requirements of the trial."

However, Paz Barnica stated that "any settlement that could be reached by direct means is welcome, and we are interested in enhancing those means. We note the goodwill of the Salvadoran Government, and we expect concrete deeds to attest to it."

PAZ BARNICA REJECTS IDEA OF WAR WITH NICARAGUA

PA161725 Panama City ACAN in Spanish 1735 GMT 14 Jul 85

[By Armando Cerrato]

[Excerpt] Tegucigalpa, 14 Jul (ACAN-EFE) -- The Honduran Government has not requested, nor does it believe it would need, help from El Salvador in the event of a war with Nicaragua. This statement was made today by Honduran Foreign Secretary Edgardo Paz Barnica, who reiterated the "peaceful" position of his government and the need to find a neogitated solution to the major conflicts in Central America.

Paz Barnica said: "We have not used any channels to ask the Salvadoran Armed Forces to intervene in the event of an armed conflict with Nicaragua or any other Central American country. We are not thinking of war but of peace." He indicated that the remarks made last week by General Adolfo Blandon, Salvadoran Armed Forces chief of staff, that "El Salvador would go to war against Nicaragua if that country invaded Honduras," reflect a very personal opinion that was in no way generated by an official request from Honduras.

"We are not thinking of war against Nicaragua. We do not want it; we will not provoke it; but in the event of a Sandinist aggression against Honduras, we will defend ourselves and respond as appropriate and to the best of our ability," Paz Barnica said.

He added: "For the moment, we will defend our sovereignty, our democracy, our peace, and our territorial integrity within the framework of the Contadora Group peacemaking process." The Contadora Group is composed of Mexico, Panama, Colombia, and Venezuela, and its main achievement to date is having prevented a generalized war in Central America in the past 2 years through talks, in the opinion of the foreign ministers of the area. However, the process is going through a period of stagnation caused by Nicaragua's boycott of the last meeting of foreign ministers, which was to have been held in Panama last month.

For Paz Barnica, "a war with Nicaragua is not likely because, after all, Nicaragua's most serious problems are with El Salvador, not with Honduras."

PNH CHARGES 'ELECTORAL FRAUD' BEING PREPARED

PA161621 Tegucigalpa Voz de Honduras in Spanish 1400 GMT 15 Jul 85

[Excerpts] Prominent leaders of the National Party of Honduras [PNH] issued a communique last weekend charging that the Liberal Party of Honduras [PLH] is planning an electoral fraud to prevent PNH followers from registering freely for their identification cards.

The communique is signed by so-called Nationalist Democratic Vanguard [Vanguardia Democratica Nacionalista] members, including Manuel Acosta Bonilla, Ramon Ernesto Cruz, Fernando Lardizabal, Ricardo Zuniga Morazan, Gustavo Avila, (William Tibes), Orlando Lozano Martinez, Angel Valentin Aguilar, and (Raul Robles Funes). The group expresses great concern about the confusing situation prevailing among the ranks of the PNH, which the top leaders have not wanted or have been unable to solve. The communique insists that the excessive number of presidential hopefuls emerging from the party is not healthy for Honduras and the vast majority of the PNH. We need a single candidate, the communique adds, who will represent various interests for the sake of the party and the country. With so many candidates we are sowing great confusion and the well-based fear that we will not win the elections we truly deserve in 1985.

The document adds that evidently the PLH, which is the party currently controlling government, is sponsoring an electoral fraud to prevent the nationalist followers from registering for the identification cards required to vote. We need a revision of the present electoral census, which should be carried out by a commission of computer and census experts duly appointed for this purpose. The PNH insists that this commission would undoubtedly uncover the truth about this fraudulent electoral process. It is nearly impossible for the PNH to have a solid and clear opportunity to win the November elections in view of the mistakes, disagreements, intrigues, and corruption at all levels of the administration.

The document adds that unless there is a radical change to correct the electoral process and the identification process, the only solution would be to punish immediately the cases where the law is being violated and to try to correct what has happened and prevent what might happen in the very near future, even if this entails postponing the elections through a special legislative decree.

The communique concludes that in view of the arbitrary attitude of the administration, the PNH could adopt the extreme measure of abstaining -- as a bloc -- from voting, inasmuch as there are not sufficient guarantees in the elections and the PNH cannot lend itself to endorse a government resulting from fraud.

NICARAGUA

ORTEGA COMMENTS ON RELATIONS WITH U.S.

PA170229 Managua Domestic Service in Spanish 0154 GMT 17 Jul 85

[Interview with President Daniel Ortega Saavedra by an unidentified U.S. reporter "while walking toward the National Assembly" in Managua, on 16 July -- live]

[Text] [Question] Why is this anniversary different?

[Ortega] Why is it different? It is not different. We are celebrating another anniversary of the Sandinist revolution, and we are celebrating it with optimism and happiness.

[Question] [Words indistinct] due to differences with the United States, in its relations with the United States, and the situation in every level?

[Ortega] [Words indistinct] threat now and in the past, so all the recommendations that the President has received on alleged answers to alleged terrorists are aimed at launching [corrects himself] attacking Nicaragua.

[Question] Given all this, will there be a special message for the United States when you deliver your speech at the plaza on Friday?

[Ortega] No, no message. However, the United States must understand that it can find a good friend in Nicaragua, or it can find a good enemy. If we are invaded, they will find a good enemy here; however, they can also find a good friend.

[Question] I would like to ask specifically...

[Ortega, interrupting] We are not enemies of the United States, but if the United States invades Nicaragua, it will find a good enemy here.

RAMIREZ DENIES ALLEGED MEXICAN '5-POINT DEMAND'

PA161542 Managua Radio Sandino in Spanish 1930 GMT 15 Jul 85

[Text] Mexico has made no demands on Nicaragua, nor is there a 5-point plan for the continuation of relations with Nicaragua, Nicaraguan Vice President Sergio Ramirez Mercado said today during a breakfast meeting with members of the foreign press. The statement was mdade in response to a question about a report that appeared in Sunday's newspapers indicating that Mexico has issued a 5-point demand to Nicaragua. Ramirez Mercado said the report is absolutely false and that President De la Madrid has not put the Nicaraguan Government on notice about anything.

[Begin recording] This is absolutely false. I do not know where they got this [words indistinct] President De la Madrid. Naturally, it is up to the Mexican Government, not to me, to deny this. However, it is very strange, and I find it [words indistinct], particularly because Latin America [word indistinct] Mexico as the champion of self-determination and nonintervention in domestic affairs of states. It would be more likely for President De la Madrid to speak about the extremely well-supervised Nicaraguan elections, which is something that Nicaragua and the Mexican Government have never contested.

I feel confident in qualifying this as a gross lie. My conversations with President De la Madrid were very positive. Moreover, they were reported in a Mexican Presidency communique that clearly outlined the topics we discussed. We believe that Mexico's posture continues to be constructive and that Mexico remains at the forefront of the Latin American countries seeking a peaceful solution in Central America while preserving Nicaragua's right to sovereignty and independence. [end recording]

PRISONER, BOAT EXCHANGE WITH HONDURAS PROPOSED

PA161433 Panama City ACAN in Spanish 0408 GMT 16 Jul 85

[Text] Managua, 15 Jul (ACAN-EFE) -- Nicaragua today proposed an exchange to the Honduran Government to recover nine vessels and repatriate some 40 Nicaraguan citizens, according to diplomatic sources here. The Sandinist authorities are willing to return two fishing vessels to the Tegucigalpa government if the operation is succesful, the sources added. The Honduran authorities would have to return four fishing vessels and five motorboats to Nicaragua. According to the Sandinist initiative, Honduras would have to repatriate approximately 40 Nicaraguans, most of them sailors arrested in Tegucigalpa and the on Honduran island of Roatan, the diplomatic sources indicated.

BORGE: CONTRAS SEEK TO UNDERMINE AUTONOMY PROJECT

PA161446 Managua Radio Sandino in Spanish 1930 GMT 15 Jul 85

[Text] Commander Tomas Borge said today that weapons have been furnished to the Miskitos who resettled in Rio Coco to organize their self-defense and prevent the recurrence of abductions, like the one carried out by the Honduran Army troops. The interior minister explained that the state security counterintelligence has reports that Miskitos, Sumus, and Ramas, [Misura] Miskito, Sumu, and Rama Sandinist Unity [Misurasata] Nicaraguan Democratic Force, [FDN] and the Democratic Revolutionary Alliance [ARDE] are planning a military offensive, abductions, and political maneuvers as part of a separatist campaign to thwart the revolutionary government's Atlantic coast autonomy project.

Borge indicated that Eden Pastora's rebel groups have been observing a self-imposed cease-fire in an effort to secure more funds and resources from the CIA. He said that measures have been adopted to defend the people who have resettled in Rio Coco, citing Sandinist People's Army [EPS] special units that will defend the area. However, he pointed out that the dynamics of the war effort prevent the concentration of troops in any one area.

Here is an excerpt of Commander Borge's statement this morning:

[Begin recording] The peace talks with Eduardo Pantin, other Misura leaders, and Brooklyn Rivera have brought about a cease-fire with these Atlantic coast groups. This is not an official cease-fire, but there has been a de facto reduction in Misura and Misurasata's armed actions. Atlantic coast residents have reacted positively to this.

However, the FDN is active in the Atlantic coast area and is harassing the Atlantic coast mining centers. The EPS has reacted to this by reorganizing the deployment of its forces and acting in the Atlantic coast, particularly in the mining region. I do not believe the rebels can take over the mines as they plan to do.

I am speaking about northern Zelaya. With regard to southern Zelaya, our forces have neutralized ARDE and the FDN. ARDE is facing a very difficult situation at this time, despite its attack against a vessel on the Escondido River. It has therefore proposed to maintain a self-imposed cease-fire. This appears to be a new blackmail scheme by Eden Pastora to secure more funds from the CIA. In any event, ARDE has sustained sharp blows in the south.

There is a so-called "Resurgence" ["Repunte"] plan, which involves the deployment of most of the FDN's troops inside Nicaragua, with the exception of several small units and (3-F's) that are still in Honduras. The rest of the FDN forces have entered Nicaragua and will attempt to stage military actions, including blowing up of bridges, during these days when we will be commemorating the 19 July triumph. [end recording]

BORGE SPEAKS ON U.S. GOVERNMENT INTERVENTION

PA151242 Managua Radio Sandino in Spanish 0300 GMT 11 Jul 85

[Speech by Commander of the Revolution Tomas Borge, interior minister, on the 48th anniversary of the Eliseo Picado National Institute on 10 July in Matagalpa -- recorded]

[Excerpts] On this 48th anniversary of the Eliseo Picado National Institute, [words indistinct] on the responsibility that you, as youth, have toward history and before our people, of the honor and pride of being students at this institute where Carlos Fonseca studied. Carlos Fonseca is the pride of the Nicaraguans, the most exalted figure of the FSLN. Carlos Fonseca, the (?burning light) in the darkness of night, the light visible at the very ends of the earth, was a student at this institute.

Carlos Fonseca was not the only one who studied in these classrooms. Raul Rivera, Carlos Arroyo, Walter Mendoza, Fabio Martinez, and many other exemplary revolutionaries were also good students here. Through its students, the Eliseo Picado Institute became the vanguard of the struggle, not only with regard to student demands, but for the common demands of the Nicaraguan people, who were led then and continue to be led by the FSLN. The institute, for example, actively participated in the Christmas Without Political Prisoners campaign for the release of Marcio Jaen, Juan Jose Ubeda, the Amador brothers, and other Sandinist companeros.

After the triumph of our revolution, many tasks demanded that students as well as teachers maintain the institute's historical tradition of leading struggles. As a result, the school has been on the front line of the national literacy campaign, the coffee harvest, revolutionary vigilance, the Sandinist People's Militias, and in the past few days the students have made plans to carry out tasks in Yali in support of the settlements in that area.

However, companero students, the revolution is just beginning.
The revolution cannot be worn out in 1 year, or 2 years, or 6 years. The revolution is forever, just as our willingness to defend it is forever, just as the waters of Rio Matagalpa or the look in the eyes of Yapanto the dog [not further identified] are forever. My friends, we have committed heresy. We created a revolution and we won. [Words indistinct] (?underdeveloped), dependent, defying the colossal magnates and leaders of the United States with this far-reaching act. The imperialists cannot forgive us for carrying out this revolution. They cannot tolerate the fact that we carried out the revolution, and if imperialism has a liver, it must be inflamed, because we carried out this revolution.

The imperialists cannot get used to the fact, cannot understand that Nicaragua is at last a sovereign country, that for the first time the Nicaraguans have a fatherland, a voice, and make their own decisions. Nicaragua has been the victim of state terrorism. The United States, a country with which Nicaragua is not at war, at least not officially, is directly involving its government agencies, mining our ports, financing a counter-revolutionary army, and discussing within its own Congress the financial aid for that counterrevolutionary army. What is most interesting about all this is that after terrorizing or trying to terrorize the Nicaraguans, they set Corinto on fire, attacked the airport, murdered thousands and thousands of Nicaraguans, sunk a ship en route to Bluefields from Rama, and after doing all of this they murdered children, old people, and women, and then they accuse us of being terrorists.

The U.S. Government and President Reagan himself say that Nicaragua, along with Cuba, Libya, Iran, and I do not remember what other country -- I think North Korea -- have created a confederation of terrorist countries. I ask myself, what acts of terrorism has Nicaragua committed? How many bombs have the Sandinists placed in Washington? How many U.S. citizens have been murdered in Nicaragua? How many U.S. citizens have been kidnapped in Nicaragua? What U.S. port have we set on fire? What U.S. ship have we sunk? What U.S. airport have we bombed? They have sunk ships here, they have bombed airports, they have set ports on fire, they have murdered thousands of Nicaraguans, and it turns out that instead of being victims we are the villains. Who can understand Mr Reagan's logic?

We have abided by international law. We have insisted on and demonstrated our intention of settling controversies at the international forums established for this purpose, at the International Court of Justice, the GATT, anywhere. However, in any situation that arises with effects beyond our borders, we are illogically accused, there is apparent ignorance of our attitude -- which is to closely follow international law -- and we are labeled as terrorists. Furthermore, this gentleman accuses us of being terrorists when he is the father and mother of worldwide terrorism. He has terrorism in his blood, his mind, his heart, and on his conscience.

Despite the aggression, the cruel and unmerciful war imposed on us by the U.S. Administration, we have never resorted to measures of force. The atmosphere in Nicaragua, guaranteed by the revolution, allows U.S. Ambassador Bergold to move freely in the streets of Managua and the entire country without bodyguards. There are no U.S. citizens whose very existence in our country is not guaranteed. Why is it that if we are members of a confederation of terror, the U.S. ambassadors in Costa Rica, El Salvador, Honduras, and many places of the world -- I think all over the world -- are surrounded by bodyguards and in Nicaragua they walk alone, confident, and secure in the streets of Managua and the entire country? What kind of fear can they be experiencing when the people of Nicaragua are deeply anti-imperialist and are able to differentiate between the American people and the U.S. Government?

How could it be said that the U.S. citizens cannot move freely, when we receive them with love? Moreover, as a fruit of the increasing solidarity of the American people, we can say that the Nicaraguans are very fond of the Americans. As we said a few days ago, we receive our American friends with open arms, just as we will meet them with rifle in hand when they come to attack our national sovereignty. [applause]

However, in addition to being terrorists, they accuse us of being drug traffickers. They say we are producers of marijuana, of -- what do they call this other thing -- cocaine, and who knows how many other drugs. Unfortunately for the marijuana smokers, this government does not produce marijuana, and it persecutes those who produce it.

(?However, we will be accussed), and we must not respond to these accusations. They even say that I am the leader of a group of drug traffickers.

They say that we lend our territory so that the drug traffickers can come with shipments for the United States. Any movement of this type in the different countries [words indistinct] could be detected very easily. The cases have never emerged. The only thing they can accuse us of is trafficking in revolutionary ideas. The revolutionary drug cannot be detained by customs officials, nor are there borders in the world capable of stopping the Sandinist war, or the revolutionary criteria and thought of Carlos Fonseca and the leaders of this revolution. [applause]

This is precisely why they are in terror. In this sense we are members of that confederation of terror, not because we murder, but because we have revolutionary ideas, and when our revolutionary ideas clash with theirs, they tremble like dogs left out in the cold.

It is also repeatedly said that we constitute a threat to our neighboring countries. Recent border incidents corrected that statement. However, we must make it clear that in this war imposed by the U.S. Government, the border areas are the most vulnerable regions. The counterrevolutionary forces, as everyone knows, -- they cannot be hidden any longer -- are in Honduras, and it is from Honduras that they attack us. The Nicaraguan Democratic Force [FDN], the guards, have their sanctuary in Honduras, just as the Democratic Revolutionary Alliance [ARDE] has its sanctuary in Costa Rica.

If the U.S. congressmen truly have access to the U.S. intelligence information, if they really receive CIA reports, and if the CIA reports objectively to the Pentagon or State Department, they could confirm who the victims are. They would know that we are attacked from neighboring territories. We are not the aggressors against neighboring territories, we are attacked from neighboring territories, but we are called aggressors rather than victims.

All in all, the border problems emerged because the counterrevolutionary forces have gathered in the border areas. If this were not the case, then the border incidents would never have taken place. It is this circumstance, financial aid from abroad, and the soldiers of fortune who have enrolled in the counterrevolutionary forces, that makes the war in Nicaragua not a civil war as it is made out to be, but a mercenary war.

We would really be a threat to our neighbors if we allowed in our territory, forces whose intentions would be to topple neighboring governments. In addition to this, what kind of army have we formed? In fact, we have many men in arms. Tens of thousands, not including the hundreds of thousands of Nicaraguans who have rifles with within their reach. We surely have other artillery and armored weapons. It is true that we have a weak Air Force and Navy, but our Army is large because it is a people's army. It is numerically and qualitatively large because it has emerged from the people's hearts. [applause]

Our National Directorate is reasonable. It would never think of invading Honduras, as such an action would be insane. However, despite the fact that as a matter of principle we are not going to invade Honduras, we ask ourselves before the international public and the U.S. people and government: What would happen if, in an act of madness, we decided to send our troops against Honduras or Costa Rica? As soon as the first tanks and the first infantry units arrived, the United States would intervene in Central America. It is not by chance that our main objective is to prevent this intervention. Therefore, even if we wanted to invade those countries -- which we do not want to do and should not do as a matter of principle -- we would not do it, as such an action would provoke a U.S. intervention, which is what we want to prevent above all. It would hand imperialism the pretext for an intervention on a silver platter. They are waiting for a pretext to intervene, to invade us.

I should not say intervene, because they have already intervened through a counter-revolutionary army, with all the economic measures, and through ideological warfare. They have already intervened. However, they are seeking a pretext to invade us. Are we going to be so idiotic as to hand imperialism the pretext to invade on a silver platter? We are going to limit ourselves to defending our homeland. Our Army cannot be an aggressor, and the fact that we have hundreds of thousands of men ready to take up arms does not mean that we have an aggressive Army. What it really means is that we have a true democracy, because our people have weapons in hand. If they were not happy with the revolutionary government, they would have only to use their rifles to overthrow the government, but instead our people support the revolutionary government. [applause]

Furthermore, why are they so concerned about our people having weapons? They worry because they know what they can expect if they come here to invade us. They will bring their planes, aircraft carriers, tanks, and artillery, but it is clear that our people will resist them everywhere. The Yankees can be sure that we will resist to the last inch of our land. We will resist them in Managua; they should never believe that we are going to surrender Nicaragua's capital to them, we will resist them block by block, street by street, house by house, brick by brick, in defending our capital city! [applause] We are not going to let the Yankees take over Leon, Masaya, Granada, Matagalpa [words indistinct] without resistance. We will defend all our cities. We will defend the countryside as well as cities. What's the use of sending their supersonic planes against us if our armed people are ready to fire from any part of the thick jungle, from any window, from any corner? Each rifle in the hands of a Nicaraguan will mean a Yankee killed in this country, or dozens of Yankees killed, because each one of us must be ready to inflict the highest number of casualties possible on our enemies if they dare invade our land. We have faith, and we are totally convinced that we will defeat them. Perhaps we might not wipe out their army completely, but hasn't history shown them who the Nicaraguan people are? In 1856 they came with William Walker, and we made them bite the dust of defeat. They came back in 1912, and Zeledon fought against them. In 1926 the Segovias became living flames to confront U.S. intervention.

In 1856 the Central American peoples joined Nicaragua to fight against the invader, and Sandino had the solidarity of all the peoples of the world. Sandino was not in power; he was a soldier of the people whom the bourgeois leaders at the time would not even help with rifles. But that man, who had only his conviction, courage, and heroism, got a few rifles, armed a handful of men, and initiated a war that has gone down in history as one of the most heroic wars of mankind. If Sandino, who was not in power and who had only a few dozen rifles to begin the war, managed to face the most powerful army on earth at that time, what can be expected from the Nicaraguan people now that they have hundreds of thousands of rifles, now that they have tanks and artillery, now that they are well-organized and have a powerful Army -- armed and combative experienced people? They are crazy if they think they can defeat us, as that would be a defeat of history, and no force in the world, no matter how powerful, can defeat history. [applause]

Ah! But they are trying to attack us through what they consider our weak sides. Since the political leaders they have created are not even followed by their own dogs, they have tried to manipulate our people's religious feelings. They want to convince the Nicaraguan people that the revolution is an enemy of religion. In this country, 75 percent of the clergy are foreigners. If we really persecuted the church, we would not even give them residence permits. There are 2,000 masses per week in this country, where supposedly we persecute religion. There are more than 300 catholic churches in Nicaragua. Do we persecute religion in this country? Twenty-five percent of the student population studies in religious schools that are subsidized by the state. Is religion persecuted in this country? There are 159 Catholic schools, the majority of which receive aid from the government.

Is religion persecuted here? There were 101,000 Protestants in 1979, but this figure was three times larger in 1984, when the number of Protestants reached 398,000. Is religion persecuted in this country? There are 88 Protestant groups in this country, in which religion is supposedly persecuted. Does anyone have an explanation for this? There are more than 60, or perhaps 80 Catholic congregations in Nicaragua, of which more than 50 percent have been established since the victory of the revolution, within a revolution that supposedly persecutes religion.

Ah! We must be conclusive with these figures. Is anyone persecuted here for going to mass? Is anyone persecuted here for participating in the Holy Week procession, or in the patron saint's religious festivities? Have the companeros of the Interior Ministry arrested anyone in this city for going to mass? Have they?

I think it would be absurd to think that we would persecute anyone for his religious beliefs. The revolution does not just guarantee the country's economic development. It even sets aside part of its financial resources to finance religious schools. So, the differences that may exist with some members of the top hierarchy are not, and will never be, over religion, but over political matters. Companeros, we are profoundly respectful of our people's religious sentiments. In fact, not respecting those religious sentiments would be, at least for me, like having no respect for my mother's religious sentiments at the time of her death, and I love and respect my mother's memory more than anything else. We must, and we do, respect our people's religious sentiments. However, religion and religious contradictions are one thing, and political contradictions are another.

However, we must mention that the revolution is making the autonomy of the Atlantic coast possible. What is autonomy? Does it mean death? No, autonomy means life for the inhabitants of the Atlantic coast. Does autonomy mean slavery? No, autonomy means reaffirming the liberty of the people of the coast. Autonomy means enhancing the Indian songs, dances, and languages. It means reaffirming the Maypole [palo de Mayo] and the Miskito language.

We are confronting difficult times due to the attacks and the blockade. This burdensome crisis frequently results in almost heroic acts that in rich and developed countries would go unnoticed. We are facing problems with the distribution of supplies. Some of you have problems related to your studies due to the lack of school supplies and other educational requirements.

It must be clear, companeros, that the struggle continues. We do not know when it will end or when we will achieve peace -- a peace that will not be overshadowed by storm. All these difficulties we are facing daily, and many more to come -- that is for sure -- must always find us ready to cling to our liberty as the root to the ground, ready to defend the fruits of our blood, our children's liberty, and that of future generations.

WHEELOCK CHARGES COSEP WITH SEEKING CONFRONTATION

PA161626 Managua Domestic Service in Spanish 0300 GMT 16 Jul 85

[Text] Ramiro Gurdian and Enrique Bolanos, leaders of the Higher Council of Private Enterprise, COSEP, are promoting a compaign to destabilize the economy because they resent the revolution. Commander Jaime Wheelock Roman, minister of the Agricultural Development and Agrarian Reform Ministry, made that charge today at a press conference. Here is Wheelock Roman:

[Begin recording] We are concerned that some COSEP leaders, especially its president and vice president, Mr Ramiro Gurdian and Enrique Bolanos, have been trying to discourage producers and involve them in a campaign to destabilize the economy.

Surely these men are not interested in providing incentives and guiding producers to enable them to comply with the social and economic goals that producers in any organization must follow. Instead, the COSEP leaders are using their duties and positions for strictly political purposes, giving their very personal and political interpretations to the associations, as I was saying before, to sway producers into adopting negative stances that seek a confrontation with the revolutionary government.

Of course, it comes as no surprise to us that Ramiro Gurdian continues and persists in his activities on orders from abroad, which are particularly linked to plans to attack and destabilize our country. [end recording]

GURDIAN CHARGES SANDINISTS 'GOADING' COSEP

PA161839 San Jose Radio Impacto in Spanish 1830 GMT 15 Jul 85

[Text] On Friday Lenin Cerna Juarez, chief of the sinister Sandinist State Security, charged that opposition leaders and members of the Higher Council of Private Enterprise [COSEP] were participating in what he described as terrorist acts. State Security chief Cerna stated that business groups are involved in these acts to destroy the Sandinist revolution. "Impact News" asked COSEP Vice President Ramiro Gurdian his views on the statement by Lenin Cerna. Here is his reply.

[Begin recording] We are deeply convinced that the FSLN cannot tolerate the civic and peaceful resistance we are conducting in Nicaragua. We have chosen to maintain this stance. Therefore, the government has been goading private enterprise into committing an irrational act, into doing something outside the purview of a private sector organization. So far we have been able to curb out actions and stick to a completely civic stance of speaking the truth, regardless of the risks involved, and we have run risks. As you are aware, COSEP leaders have been jailed and harassed; COSEP member Jorge Salazar was killed. As for my own situation, a warrant for my arrest was issued. I feel trapped; my properties have been confiscated. This also applies to Enrique Bolanos. The government is goading us.

I would say that [word indistinct] statement, that telex which was revealed in the afternoon and which I have already read, is one more act of provocation by the FSLN to make us feel nervous, to make us commit errors, and to see if we will forsake the civic stance we have maintained, which is something they cannot tolerate. I can assure you that we are not going to fall into that trap. We hold the FSLN responsible for the safety of all persons from the private sector. We have sent a letter to the FSLN on behalf of the [word indistinct], holding it responsible for the life of Enrique Bolanos in particular, because of the threats received.

Now, of course, Commander Cerna's statement is just another escalation of the threats. However, the only thing we are doing, and which we will continue to do, is to tell the world that we adhere to our civic stance and that we are not going to fall in the FSLN's trap. The FSLN wants us to forsake that civic stance. [end recording]

CERNA ON PLOTS TO KILL REVOLUTIONARY LEADER

PA142133 Managua Radio Sandino in Spanish 1930 GMT 12 Jul 85

[Text] Independent Liberal Party [PLI] President Doctor Virgilio Godoy is considered by the State Security as the man who is fulfilling the objectives outlined by the U.S. Government, in coordination with steps taken by other elements under a different guise.

This was reported by the magazine SOBERANIA, edited by the Anti-Imperialist Tribunal of Our America [TANA], in an interview with Commander Lenin Cerna. The report also says that engineers Enrique Bolanos and Ramiro Gurdian, and Andres Zuniga, president of the National Confederation of Professional Associations [Conapro] are working for the counterrevolution.

Commander Cerna also revealed that, since the victory of the revolution, 200 plots to attack the revolution's leaders have been detected. Cerna said 50 of these plots could possibly have attained their objectives. The State Security chief added that Commander Tomas Borge is the most sought after man by the CIA, but this also applies to President Daniel Ortega, Defense Minister Humberto Ortega, Commander Jaime Wheelock, and Doctor Sergio Ramirez Mercado.

In the TANA magazine article Cerna said: On one occasion we had firm information about the possibility of an attack against Commander Bayardo Arce, which raised great concern from the security viewpoint. He also said that two plots to kill Dr Rafael Cordoba Rivas were uncovered when he was a member of the Junta of the Government for National Reconstruction.

During his lengthy interview, Cerna also recalls the plot to poison Father Miguel D'Escoto, adding they have not only detected plots to use poison but also explosives, rifles, grenades; there were even plots, never fully developed, to use explosive devices activated by remote control. Two plots were recently uncovered against Commander Humberto Ortega; he was going to be kidnapped along with his escorts. Referring to this case, Cerna said that the elements planning to carry this out were arrested, and they confessed their planned crime. It could be ascertained that they were carrying out an initial phase, gathering information to implement their plans.

Cerna talked about the State Security's most important achievements during the past 6 years, saying he felt satisfied with the recognition given by the vanguard and revolutionary government. From the operational viewpoint, the enemy should be aware that we, virtually on our own, destroyed a series of plots prepared by the CIA against our revolution, he said.

The explosive interview granted by Commander Lenin Cerna to the magazine SOBERANIA, edited by the TANA, also discussed the CIA plans to prevent the Atlantic coast's autonomy. Concerning this, Commander Cerna said: The Atlantic coast problem is a desperate matter for the CIA, because it has become aware that people are not easily defeated when they are in power; since the people also have the weapons, it is not easy to disarm them.

He added that this is why Reagan cannot talk about anything but Nicaragua. It is even unavoidable for him to admit the revolution's achievements, and he referred to this when saying he could not let the Sandinists carry out their plans to change Nicaragua. The CIA, Commander Cerna added, knows perfectly well that the decision to grant autonomy to the Indian communities will become a banner of struggle for all the Indians, not only in Latin America but also in the United States, where they have been discriminated against and exterminated. This makes the CIA desperate. He explained: That is why they prepared the "Black Eagle" or "Yacal Sixa Plan," which Commander Tomas Borge revealed some weeks ago in Puerto Cabezas. The "Black Eagle" or "Yacal Sixa Plan" was prepared to sabotage the peace talks being held on the coast. According to Commander Cerna, one of the first activities carried out was to use Miskito mercenary Roger Herman. They also kidnapped FRG internationalist Regina Schmemann, and Nicaraguan citizens Jorge Canales and Fausto Christy Moody, who are still in the hands of [Steadman] Fagoth's bands at their camps in Honduras.

He also said that it is well known the CIA is on a dead-end street with these criminal kidnappings, since they were unmasked in front of the U.S. people as the instigators of this crime, which must be investigated by the U.S. Congress, he added.

Cerna is quite specific about this. He said Reagan's government is directing Roger Herman's activities and is the only one responsible for the assassination of Miskitos, Sumus, and Ramas [Misura] military leader Eduardo Pantin, known as the Red Lion. The security chief mentioned that the CIA's "Black Eagle Plan" is doomed to fail, and the Indian communities will crush the group of German, English, and Japanese mercenaries who were hired in London. Regarding the latter, he asserted that the mercenaries were hired by the CIA, financed by U.S. terrorists Nelson Bunker, Joseph Coors of Coors Brewery, Bert Hartbud, and General John Singlaw, who is president of the World Anti-Communist League, adviser of the U.S. Security Council and President Reagan's right-hand man.

Commander Cerna's statement to the magazine SOBERANIA has impact and is illustrated with pictures of the contras and most of the persons mentioned. In addition, it reproduces propaganda that appears in the U.S. magazines, where mercenaries are openly recruited. Incredibly, one of the items, which includes the photograph of an assassin, says: "God be with you, Charlie."

PSC LEADER CALLS FOR GOVERNMENT RECTIFICATIONS

PA161556 Managua LA PRENSA in Spanish 14 Jul 85 pp 1, 8

[Text] Analyzing the Sandinist government's path, Erick Ramirez, acting president of the Social Christian Party (PSC), has said that the FSLN's 6 years in power have been a total disaster. "We have gone backward in history, and we are currently facing a situation that is tantamount to 1,000 simultaneous earthquakes, amid an economic, social, and political backwardness without comparison," he said.

He added: It seems to me that the Sandinist leaders are living in another world, ruling over a country whose situation and aspirations they ignore completely, governing under their personal perceptions and their Marxist views, totally unaware of our realities and the most urgent needs of the Nicaraguan people. This abyss separating the rulers from the people has plunged Nicaragua into a crisis without precedence in its history, and worse yet, the FSLN shows no signs of wanting to rectify the singular course it has given to the revolution, gradually pushing us all into an irreversible, chaotic situation.

According to Ramirez, the problem originates from the FSLN's divergence from the original revolutionary project, altering principles of unitary struggle into sectarian positions that have in substance violated our nationality and have hurt the people's legitimate aspirations. We do have no doubt that a direct and secret consultation to measure the government's popular support would reveal that only a small minority, basically within the Army, some mass organizations, and the leaders and collaborators of the central government, would endorse the government. All the rest, the majority of the people, would reject it.

Ramirez added that only a profound rectification in the implementation of this project, establishing a real and effective political pluralism once and for all, developing an authentic model of mixed economy and moving away from the socialist bloc without surrendering to the capitalist sector, would change the situation for the better.

Moreover, several political, professional, labor, and church organizations have made sound proposals to seek national conciliation, but the FSLN has turned a deaf ear to those initiatives and has concentrated on trying to solve the problems of Nicaraguans abroad, when the possibilities are at hand and more feasible within the country, within ourselves, Ramirez stated.

Nicaragua is a country with many resources, and Nicaraguans would like to enjoy a period of peace and stability that would enable us to reconstruct the country without hatred among classes and without the implementation of political-ideological models aimed at establishing party dictatorships and a reduced nucleus of rulers who want to govern without liberties. The economic problem, the social crisis, and the lack of political credibility and international respect can be overcome if we all participate in an internal effort to restore national unity with a patriotic willingness to move ahead, healing the sores that have resulted from a past of war and instability.

Political parties and various social organizations, including the Catholic Church, have said yes to peace and no to war; yes to a civic and political solution; no to militarism and violence; yes to democracy and liberty; no to slavery and totalitarianism. Now it is the FSLN's turn to speak.

CONTRA LEADER CHAMORRO SEEKS AID IN PUERTO RICO

PA162216 Hamburg DPA in Spanish 1941 GMT 15 Jul 85

[Text] San Juan, 15 Jul (DPA) -- Fernando "Negro" Chamorro, leader of the anti-Sandinist Nicaraguan Democratic Union, is visiting Puerto Rico in search of financial and material support for his organization.

Chamorro, who will be in Puerto Rico until this coming Wednesday, traveled to the island in the company of William Tefil, a Panamanian, and two other officials of his organization, who were not identified.

According to his statements to the local press, he "intends to join Cubans and Nicaraguans in exile" to search for funds to "purchase arms, clothing, and equipment" for his forces. Chamorro mentioned that 1,200 armed men in southwestern Nicaragua are members of the political-military organization "Nicaraguan Democratic Union-Revolutionary Armed Forces."

This is the second anti-Sandinist leader to visit Puerto Rico this year in search for financial support. Eden Pastora, leader of the Democratic Revolutionary Alliance (ARDE), visited the island in March with the same objective.

There was no information as to whether any local groups organized Chamorro's visit, or the fund-raising activities.

RODRIGUEZ DISCUSSES NATIONAL ECONOMY, FOREIGN DEBT

PA142015 Havana International Service in Spanish 1230 GMT 14 Jul 85

[Interview with Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, by unidentified reporters; date and place not given -- recorded]

[Text] [Question] Comrade Carlos Rafael Rodriguez, how has the nation's economy performed during the first semester of this year?

[Rodriguez] The true results will be apparent in the long term. However, I can say that during the first semester of 1985, we are already benefiting from new work methods, especially regarding the assessment of the 1985 plan which has adopted a more realistic stance due to the active and joint participation not only of the Central Planning Board, which is the agency in charge of planning, but also the participation and work by the country's central organizations and by all elements charged with implementing economic directives.

In recent years, Cuba's economy has been performing satisfactorily. We are pleased with the overall results obtained. The results of increased activities by the managers of our economy will lead it to achieve even higher levels of efficiency. Our socialist economy is still in need of economic efficiency. Efficiency has been increasing; that is, work productivity has steadily grown during the past decade and (?even before that). We must also mention that the work carried out by the party, through its diverse (?activities), and by organizations within the national economy to increase industrial profits have produced major results. Certainly, not all industries operate at a profit; however, the number of unprofitable enterprises is growing smaller. Nevertheless, we have a long way to go in this area. We are still not profiting from all the advantages of socialism. We are far from accruing the benefits derived from the potential socialism creates for a developing economy such as ours. We have extraordinary reserves and we are trying to take advantage of them through new management techniques.

I am sure that the work we are conducting under Fidel's guidance in the central group, in the country's territorial organizations, and in the national economy as a whole will allow us to advance with firm steps. One of the new elements included in our analysis is the need to place greater emphasis on the problems of exports. Our country depends on the external economy. Undoubtedly, this calls for making greater strides in exporting than we have made to date in order to meet our commitments with socialist economies, with which we conduct 85 percent of our economic exchanges, and also to decisively increase our exports to capitalist countries. Although we only conduct 15 percent of our economic relations with these countries, it is a significant 15 percent. Without these relations the overall economy could not function adequately. It is well known that by 1990 we expect to increase our exports to capitalist countries by $1 billion above the figure reached in 1984. We have been striving toward that goal. Of course, the working class constitutes the basic element in this endeavor. Our country's working class, the workers in general, have alsways been prepared to make greater efforts. If our economy has not made greater advances it is not because the working class has been reluctant to conduct all kinds of activities and efforts to upgrade the nation's economy. Rather, our difficulties and shortcoming stem from the way the economy has been managed. And now, with the November and December agreements, which were made during our party Central Committee meeting, we are prepared to upgrade efficiency elements. I feel that with the right combination of workers and management we will make the 1986-90 5-year plan, which begins next year, decisive in the efforts to build socialism.

[Question] In regard to this topic, what are your views on the relationship between the centralized management in the country and management autonomy?

[Rodriguez] I think that the question you are asking is very important right now. Due to some changes that have occurred in the management of our economic activities, changes which are natural in any economy because we are seeking the most efficient way to handle collective work. The international news media and even the diplomatic corps in this country have speculated on the possibility of changing the system used to manage the economy which was drafted during the party's first congress in 1975. I can categorically affirm that nothing is farther from the truth. We are working -- granted slowly, as we in the central group have noted -- to implement all of the principles contained in the system for managing and planning the nation's economy drafted during that congress. This means that there is an adequate blend of centralized planning and decentralized management as we understand it, and all of us party leaders share this viewpoint regarding the nation's economy, that centralized planning is an essential base for the socialist economy. The economy's major decisions, that is, those regarding how much is to be accumulated, how much is to be used for consumption, the national economy's fundamental investments, and the working class' participation in the elements of consumption must be centralized.

Centralization does not mean autocracy nor does it mean that one group of individuals is going to decide what the rest must do. In order for centralized planning to be adequate, it must be based on the consensus of all forces existing within society -- first, the working class and the workers. That is the basis for any adequate system. Consensus is a must for the centralized planning of a major decision. However, the experience of socialism and the implementation of economic plans show, in fact, I would say prove, that without management's autonomous actions and without the ability to take autonomous actions the national economy does not sufficiently advance. We are far from being able to achieve the fullest potential of independence in the managerial sector. We lack appropriate organizational methods and also capability on the part of our managerial leaders, whom we are training in an expeditious manner. For that reason, there is a higher economy institute to manage the economy. The capitalist system has graduated thousands of experts from specialized schools to manage their economy. We receive benefits lacking in a capitalist system, but we still need to provide training in management which also reflects the driving abilities on the part of the leaders of our economy; that is, the ability to lead on their own without waiting for orders from above and the ability to strongly and daringly, which is not to say irresponsibly or recklessly, face problems because they have the power to decide. We will continue striving toward this goal. I can assure you that for the third party congress the party and the government intend to more fully establish the elements of this economic system which we have worked to develop throughout a period of almost 10 years.

[Question] Comrade Carlos Rafael, how much does Cuba owe Western financial organizations and under what terms was the foreign debt renegotiated?

[Rodriguez] The term Western financial institutions is somewhat tricky, because it implies that our debt is only with the large capitalist economies. However, we must stress that our economic relations with Spain and also with Argentina are very significant. So among our creditors are countries such as Spain and Argentina, which are not yet considered developed Western economies.

Our foreign debt is approximately $3.2 billion, which obviously is not the same burden as the debt of the large Latin American debtors such as Mexico, Brazil, Argentina, and Venezuela, or of small countries whose economies cannot withstand the overwhelming weight of what Comrade Fidel Castro has called the unpayable foreign debt.

We have been renegotiating our foreign debt under terms similar to the best options achieved by Latin American countries. As we all know, a first part of the renegotiations covered the debts acquired during the second half of 1982, and all of 1983. We renegotiated 96.4 [unit not specified] of that debt, payable in 8 and 1/3 years, with a grace period of approximately 4 years. Last year, 1984, we renegotiated 100 percent of the debt for that year, under better terms: The debt was extended to 9 and 1/2 years, with a grace period of 4 and 1/2 years. Right now we are renegotiating the debt for 1985; the basic elements for these discussions are ready, and in a few days, Comrade Raul Leon, president of the National Bank of Cuba, and the members of the Cuban delegation will leave for Paris for the final debates on the terms of the renegotiation.

[Question] Why is it that in order to grant new credits in dollars the IMF is imposing restrictions that basically affect the internal economies of each indebted country?

[Rodriguez] The IMF was established by the United Nations, with the intention of achieving an unattainable harmony between all the elements, conforming to the international economy. As we said a while ago, this harmony is not possible because contradictions among the developed capitalist countries themselves and with the developing countries, which Fidel has correctly called underdeveloped, are irreconcilable. We can see this now. In the midst of the international crisis affecting the capitalist economy, the capitalist countries have concentrated their efforts on placing the weight of the crisis on underdeveloped countries, by extracting from those countries an increasingly larger amount of financial and economic resources in order to replenish the deficiencies of capitalism.

For this reason, the IMF is no longer a harmonizing institution. As we know, the decisions are made based on the so-called measured votes. In other words, the countries do not have a right to one vote each, and instead the votes are distributed according to the economic strength and the capital provided by each country. Consequently, the United States has a very high proportion of votes, and plays a decisive role in IMF decisions. As a result, I repeat, the United States wants to impose the essence of its economic policy on the IMF. The essence of the U.S. economic policy is obtaining wealth, advantages, and benefits, without caring about the suffering of people in the underdeveloped countries caused by such a policy. Of course, the underdeveloped countries' ability to reply is limited by their weak economies.

In addition, as we know, there are wide gaps within developed countries between the small number of people who benefit from imperialism's capitalist exploitations, and a large majority of the population that receives no benefit, and instead must sustain the damages.

In analyzing the Latin American economic situation, not to mention Africa, which is facing an even worse situation, as well as certain highly underdeveloped parts of Asia, we must consider that the majority of the countries...[rephrases] Now, I would say, there are no exceptions, because at one time Argentina and Uruguay could have been considered exceptions but are no longer because Cuba is the only exception. Nicaragua is trying to be another exception, but it is still under the U.S. imperialism's military, political and economic siege. As I said, those countries, without exception, see 60 percent of their gross national product [GNP] absorbed by 5-10 percent of the total population.

Meanwhile, 40-50 percent of the population barely gets 20, 15, or 10 percent of the GNP. This explains why there are currently 145 million men, women, and children living in absolute poverty in Latin America; and the projection for the year 2000 is not a reduction of that 145 million figure but, according to all the latest predictions, an increase of up to 175 million.

Consequently, to overcome their current situation, Latin American countries would have to develop at a rate far above the 5, 7, 8, 9 and 10 percent annual growth rate. Instead of an annual growth rate, there have been decreases in rates during the past years. Why? Because the IMF does not worry about development. It is only concerned with recovering funds invested by banks and therefore imposes restrictive policies. Naturally, these restrictive policies bring results. For whom? For 5 percent of the privileged minorities, international bankers, companies selling products manufactured for a pittance, and large transnational organizations. These are the beneficiaries, but the rest of the population pays the consequences and, instead of advancing toward the necessary 8- or 10-percent growth rates to cover the great void that has brought poverty upon Latin America, they are going backward. Latin America went backward during these years until it reached the 1976 levels. In other words, it regressed 10 years. That is the sad reality, and that is the IMF policy. I do not say that the IMF policy is not efficient; it is efficient for the exploiters and executioners. But it is highly inefficient for the victims -- hundreds of millions of men and women throughout the world in underdeveloped countries.

[Question] Several countries recently renegotiated their external debt, and certain government and international bank officials made some verbal promises concerning a greater flexibility for payment of Latin American countries' external debt. This has made certain sectors believe that the problem's gravest moment has passed. What is your opinion on this?

[Rodriguez] Until recent months the great international banking centers and leaders of capitalist economies, particularly the U.S. imperialists, believed they could claim victory over the debt because they had introduced remedies. These remedies would have underdeveloped countries accept debt renegotiations that turn the external debt into what Luis Caro, leader of the Peruvian journalists, calls eternal debt. Naturally, if we accepted the IMF's premise and the decisions made by Reagan and his associates, they would end up quite well off. They would receive each year, without worrying about the capital, extraordinary amounts in interest. Comrade Fidel has said that Latin America would end up paying more than $40 billion per year in interest and benefits for the transnationals. Naturally, Latin American economies cannot withstand this, nor can the African economies and most of the Asian economies, which also have a heavy debt. Korea, which is presented now as a new miracle just as Brazil was presented in its time, has an external debt in excess of $40 billion, a debt that cannot possibly be paid.

Comrade Fidel has brought down U.S. imperialism's castle of cards. He has sought to defend the people's interests, as he always does, and proved in a clear, precise, and scientific way that the debt cannot be paid. He has proved the harmful, immoral, unjust, and illegitimate nature of the debt. Nowadays there is a movement that is increasingly impetuous, appearing in all newspapers of the world in an increasing number of statements by leaders of developing countries, men and women in the labor movement, women's organizations, and youth organizations, which proclaim that the debt cannot be paid. Not all have Comrade Fidel's courage and daring to diagnose the phenomenon and place a finger on the wound. Some use much more benevolent terms and do not dare to proclaim the truth as it is. However, the truth is emerging out of necessity and is not possible for the situation being withstood by debtor countries to continue. The process is about to explode, as Comrade Fidel has predicted. It will explode in an orderly way if debtor countries organize themselves and if creditor countries heed the clamor for reason. Comrade Castro leads this clamor. Otherwise, it will explode in a disorderly way, with violent uprisings and social contradictions within the countries if the great creditors turn a deaf ear to the debtor countries' clamor. That is the truth of our times; and it has been explained in many ways by Comrade Fidel. He explained it in practical terms when he recently said that if a man started to count what the debtor countries must pay in interest during the next 20 years, it would take him 12,800 years, dollar per dollar, using every second of his life to count the debt. It is a vivid way of describing a dramatic situation that must come to an end.

[Question] Considering that 1984 was supposedly a year of economic recovery for capitalist countries and Latin America's economy actually declined, what awaits Latin American peoples when the U.S. economy enters a new period of depression or recession before 1986?

[Rodriguez] Imperialists and some of their spokesmen in Latin America proclaimed victory in 1984. They said that Latin America's economy on the whole had recovered because it had grown at a rate slightly higher than 2 percent. A depression occurred in 1981, 1982, and 1983. Latin America's gross industrial production had decreased by 13 percent and the per capita income had decreased by more than 15 percent. Considering the annual increase in population, the economy's growth of little more than 2 percent translates to less than 0.2 percent in per capita growth, less than a fifth of a percent. As I have said before, growth rates higher than 10 percent would be necessary to meet the Latin American people's needs. This situation was only circumstantial because the U.S. economy grew at a rate higher than 7 percent last year. It grew at the expense of the European and Third World economies. During the first months of 1985, that U.S. economy, in which Reagan had placed so much hope until 1985, decreased suddenly. In practice, it grew only 0.7 percent during the first 4 months. It was expected to grow by nearly 5 percent in those months. This means that however well the U.S. economy does during the remaining period, the coming 6 months, its growth rate will be less than 3 percent. In 1986, the growth rate could still be less than 3 percent. That means a recession will begin in the U.S. economy, and the U.S. economy will be able to purchase fewer products from Latin America. Consequently, Latin America's export boom in 1984 will again drop suddenly toward the levels of 1983, 1982, and 1981. This is what awaits Latin America in its relations with the United States, the Latin American countries' fundamental economic center.

[Question] Just as you have asserted a few moments ago, a great mobilization and awakening has occurred in the past few months regarding the foreign debt problem. Is it possible to join the active forces, which include the best young students, workers, intellectuals, people at large, and governments, to carry out a joint action leading to the solution of the foreign debt problem of undeveloped countries?

[Rodriguez] It is difficult to foresee the specific form this great movement will have. Through the personality of Comrade Fidel, Cuba has played a determining role in bringing about this international awakening. Fidel has not only worked with the masses, he has also been in touch with statesmen and government leaders everywhere in Latin America, Africa, and the rest of the world. He has worked systematically. His explanations have been complete. We can feel proud that the Cuban leader has also been a world leader in this respect. Unavoidably, this situation will somehow lead to breaking down the order imposed by the IMF and the imperialists.

It is important for the peoples to be aware of the meaning of the debt. I think they are becoming more and more aware of this meaning. I believe the trade union conference to be held in Cuba in the next few days, beginning Monday, is uniquely important because it allows the peoples through their trade union leaders to grasp the meaning of this battle even more. This battle will not resolve the debt problem. As Comrade Fidel has said, the debt is only part of this battle. If we could cancel the debt tomorrow, we would still not be able to develop. If the international economic order for which the peoples have been struggling for more than 10 years is not established, the situation for developing countries will not be hopeful because the old path will still be followed -- through unequal exchange, protectionism, transnational enterprises, and their high profits from our economies, toward new debts and dramatic situations. This is why the struggle to cancel the debt is also linked to a struggle for a new international economic order, for the new international economic order. It is difficult. It is not easy to achieve this. This is the only way for capitalism to survive a little longer, some decades longer in history.

The Greeks and the Latins said very early in time, in accordance with their beliefs in the gods, that God blinds those he wants to be lost. The people who assume the leadership of historic trends that are bound to disappear do not realize that their social existence sometimes portends the future. This also happens now. Imperialism seems to be blind. Imperialism does not see what everyone else sees. If the world develops and the hundreds of millions of men and women who live in former colonies that are now countries would start a developing economy, capitalist industries and economies would benefit greatly. But they do not see this. They don't want to see this. They try to maintain their own structure. Consequently, it is very important for the peoples from this side, the suffering and exploited peoples, to understand the sense of this dawning struggle. When the peoples march forward, the shy leaders will also march forward. Leaders are not always able to follow the course that history charts for them. But if a society arises, it will find an able leader. It will find a leader to march forward. And the leaders able to march forward will also have the best possible response from the people. It is difficult to predict the nature of occurrence. But we can see with our own eyes that the movement is making progress.

RODRIGUEZ SAYS IMF OBJECTIVES IMPOSSIBLE

FL161920 Havana Domestic Service in Spanish 1700 GMT Jul 85

[Text] In an exclusive statement for Radio Rebelde, Dr Carlos Rafael Rodriguez, member of our party's Politburo, explained what the IMF is.

[Begin recording] The IMF was established when the United Nations was created to achieve an unachievable and unobtainable harmony among all elements of the international economy. It is not possible (?to achieve) this harmony because the contradictions among the developed capitalist countries and between them and the developing countries, which Fidel has accurately described as underdeveloped, are insurmountable. I am not saying that the IMF policy is inefficient. It is efficient for the exploiters and the executioners, but it is highly inefficient for the victims, who total millions of men and women throughout the world, in the underdeveloped countries. [end recording]

EFE NOTES ERROR IN REPORT ON CASTRO PROPOSAL

PA161742 Madrid EFE in Spanish 1350 GMT 16 Jul 85

[Text] Havana, 16 Jul (EFE) -- The U.S. Government has tried to hinder the hemispheric dialogue concerning the issue of the Latin American and Caribbean foreign debt which Cuban President Fidel Castro is promoting, Communist Party of Cuba [PCC] sources have said. Fidel Castro has sent an invitation to politicians, congressmen, intellectuals, academics, journalists, economists, peasants, trade unions, and women organization leaders to attend a foreign debt debate in Havana on 30 July. Referring to the United States, the daily GRANMA, official publication of the PCC, published a note saying: "The government of the main creditor of Latin America and the Caribbean has tried to hinder this meeting, but all its efforts have been and will be in vain."

Due to an information slip, EFE said in the report published yesterday that the GRANMA report was referring to Brazil. The same newspaper points out the above-mentioned slip and mentions that "obviously such a statement was referring in an unequivocal and clear manner to the U.S. Government."

"Only the great looters and exploiters of our countries have any real reasons to be furious [rabiosos] about this dialogue," the mouthpiece of the Cuban Communists says in a commentary entitled "An Unpostponable Explanation."

GRANMA Denounces Error

FL161514 Havana Domestic Service in Spanish 1348 GMT 16 Jul 85

[Text] In an article titled "The Inevitable Clarification," GRANMA, the official organ of our party, responds to a clumsy distortion contained in a Spanish EFE News Agency dispatch dealing with the continental dialogue convoked by our commander in chief to discuss the Latin American and Caribbean foreign debt in the context of the international economic crisis. GRANMA's note expressed not only the motives and objectives of the meeting, but also reproduced the text of the letter sent by Fidel to numerous Latin American and Caribbean personalities, inviting them to participate in the meeting.

Today GRANMA also repeats that information reported by Western news agencies was not true, as they were calling the dialogue a summit of heads of state convoked by Cuba. In today's edition, GRANMA clears up the clumsy distortion in the report carried by the Spanish EFE News Agency.

In today's article, GRANMA recalls that in yesterday's note it was reported that the meeting called for by Commander in Chief Fidel Castro would be a high-level meeting of democratic party leaders, whether from the left, center, or right. GRANMA adds that political, scientific, and social personalities of great prestige and influence in Latin America and the Caribbean had also been invited to the meeting.

In today's edition, GRANMA recalls that the last paragraph of yesterday's note stated: The government of the principal creditor of Latin America and the Caribbean has tried to obstruct that meeting, but all its efforts have been and will be useless. It is obvious that the finger was unequivocably and clearly pointed at the U.S. Government, our party's organ notes in today's edition.

In today's "The Inevitable Clarification," GRANMA reiterates that yesterday's allusion to the principal creditor of Latin America and the Caribbean was directed at the Reagan administration. It is directed to the U.S. Government, the only one that is undertaking the undignified task of trying to obstruct, sabotage, and impede the Havana dialogue and, in order to do so, is using all resources at hand, the GRANMA daily notes.

Our party's organ adds that, nevertheless, an EFE News Agency dispatch, datelined Havana, 15 July, clumsily distorts the GRANMA note by saying: The government of the principal debtor of Latin America and the Caribbean, referring to Brazil, has tried to obstruct that meeting, but all its efforts have been and will be useless. The Spanish EFE News Agency talks about the principal debtor when GRANMA referred to the principal creditor which, as is well known, is the United States.

In its article "The Inevitable Clarification," GRANMA notes that the purpose of the Spanish EFE News Agency dispatch appears to be to sow **distrust**, discord, and prejudice among Latin American governments. GRANMA, nevertheless, would like to believe that a lamentable professional mistake by the correspondent of the Spanish EFE News Agency is the real cause of the error, which can be proved if one reads what was published yesterday by our party's official organ.

In today's edition, GRANMA reports that the possibility that the EFE dispatch could have been carried by the media in Brazil and other parts of the world is what moves the daily to publish today this indispensable and inevitable clarification. In publishing this clarification, GRANMA reiterates what it stated in yesterday's note: Only the great looters and exploiters of our countries have a reason to be nervous because of this dialogue.

FIRST SESSION OF WORKERS MEETING ON DEBT ENDS

F1161258 Havana Television Service in Spanish 1100 GMT 16 Jul 85

[Text] With the presence of Commander in Chief Fidel Castro Ruz, the plenum session of the first working day of the Latin American-Caribbean Workers' Conference began in the Palace of Conventions. Fourteen speeches were given, including one from the ILO. Today at 1300 GMT, the conference sessions will continue. This is the most important meeting of its type in the past 40 years and, since its beginning yesterday, has been attended by Commander in Chief Fidel Castro. The views submitted by the speakers have demonstrated unity for the opinion that the foreign debt is unpayable. Based on their own experiences, the speakers described the precarious situation of their countries' economies.

U.S. ACCUSED OF VIOLATING TLATELOLCO TREATY

F1161344 Havana Television Service in Spanish 1100 GMT 16 Jul 85

[Text] United Nations -- Cuba has accused the United States of violating the Tlatelolco Treaty prohibiting nuclear weapons in Latin America by using Puerto Rico as a nuclear arms arsenal. A letter to the president of the UN Special Committee on Decolonization from Cuban Ambassador to the United Nations Oscar Oramas Oliva reproduces a denunciation of the Puerto Rican College of Governors of violations of the treaty by the U.S. Government. The letter indicates that Puerto Rico is serving as headquarters for the alternate command post of 31 nuclear submarines and 3 long-range communications centers for that type of operation.

COMMENTARY VIEWS 'DANGEROUS' U.S. MEASURES

F1151435 Havana Television Service in Spanish 1145 GMT 15 Jul 85

[Station commentary]

[Excerpts] Today we would like to refer to several measures that the U.S. Congress has recently approved which set a dangerous course for the peace and sovereignty of the peoples. We will now mention some of these measures.

Only a few days ago, and for the first time since 1981, the U.S. House and Senate reached a joint agreement on the terms for U.S. aid abroad. A law already approved by Congress grants to the administration, that is, to the president, be it Reagan or Bush, who is in charge at this point, the power to eliminate economic aid to what they term the Marxist regime in Ethiopia because, they claim, the Ethiopian regime might deliberately starve its own people. These are the cynical terms used by the U.S. Congress.

Still on the subject of aid, it was agreed that $15 billion in aid would be retained, which had originally been intended for the Government of Mozambique. As we all know, this country ahs been affected by a severe drought and thousands of people have been near death.

Even more important is the repeal of the Clark Amendment approved in 1975, when Saigon was liberated. It resulted from what for a long time was known as the Vietnam syndrome. The amendment limited the chances that the U.S. Government might support the counter-revolutionaries in Angola specifically, but it also meant that the U.S. Government should strive to avoid further involvement in military actions abroad. This amendment has now been repealed and, as you know, the Angolan Government has suspended the talks it had been holding for months with U.S. representatives in Cape Verde and several other places in an effort to resolve the situation in southern Africa.

If to this we add the fact that both the U.S. House and Senate have approved overt aid for counterrevolutionaries in Cambodia, plus the fact that the U.S. Congress for the first time in 20 years has agreed to send aid to the police forces in El Salvador and Honduras, and we all know what thos repressive regimes represent, we can see that the U.S. Congress is adopting an extremely dangerous stance.

COMMENTARY ON SALVADORAN 'CRISIS' SITUATION

PA150412 Havana International Service in Spanish 2310 GMT 11 Jul 85

["Our America" commentary]

[Text] The Salvadoran rebels' struggle against the regime, to establish real social justice in the country, has shaken practically all the nation's rural areas. The struggle has recently concentrated in the cities, too, particularly in the country's capital. Even though the main rebel activity has centered in the eastern Salvadoran region, particularly in Morazan, Usulutan, and San Miguel Departments, the war of economic attrition against the regime has been carried out throughout this nation, the smallest in Central America. The closure of large sections of highways and destruction of electrical installations and coffee mills, the main revenue in El Salvador, have contributed to accomplishing the deterioration of the dictatorship's economy, which is maintained by financial support from the United States.

To somehow lessen the crisis and keep the repressive Army active, Jose Napoleon Duarte's regime has closed dozens of education and health centers leaving thousands of Salvadorans without jobs. The critical situation has also provoked several union strikes and large crowds recently held demonstrations to demand salary increases and social benefits. Members of the Salvadoran Fishermen's Union continue on an indefinite strike for the sixth consecutive month, while thousands of university students demanded more attention and financial aid for the state-owned university. The university students likewise denounced the fact that Jose Napoleon Duarte's regime is trying to encourage military violence instead of advocating renewal of a dialogue and negotiation with the guerrilla groups.

In the military sector, the government continues to carry out U.S. imperialism's mandates, developing in the eastern sector of El Salvador large and unsuccessful counterinsurgent operations, which many times are supported by Honduran military forces, and have even taken over Salvadoran border areas. Likewise, late last week the rebel forces (?warned) the civilian population against the nation's northern region -- particularly in San Salvador.

In practice, these Salvadoran Army actions will represent indiscriminate air raids and artillery attacks against defenseless communities. With these crimes they seek to justify their lack of combat ability against the increasingly active guerrilla forces. The head of the regime, increasingly pressured by internal events, is also trying to prove that he has initiatives to enforce social justice through his recently created commission to investigate political crimes, which is nothing but some kind of Salvadoran Gestapo, quite similar to the secretpolice in Nazi Germany.

It is being said in El Salvador that Duarte will decide which crime will be investigated, who must be tried, and what crime will be conveniently covered up. If Duarte seeks to investigate the recent attack against the U.S. Marines through this commission, he also has the obligation to clarify the murders of Msgr Oscar Arnulfo Romero, as well as those revolutionary leaders and many other Salvadoran patriots.

FRENCH ENVOY SAYS POINTS OF CONCURRENCE NUMEROUS

FL151535 Havana Domestic Service in Spanish 1100 GMT 15 Jul 85

[Text] French Ambassador to Cuba Pierre Decamps has said that between his country and Cuba there are points of concurrence concerning numerous political and economic problems in connection with Central America, Africa, and other areas of the world. The French diplomat said on the occasion of his country's national holiday, France is developing a political dialogue with the Cuban authorities, which has made it possible to discover points of agreement or concurrence, and that these are more numerous than had been originally thought.

FMC URGES COOPERATION IN CONSERVING WATER

FL161815 Havana Domestic Service in Spanish 1400 GMT 16 Jul 85

[Text] Due to the measures adopted by the Provincial Assembly of the People's Government in Havana to rationalize the distribution of potable water, the Federation of Cuban Women [FMC] has issued an appeal exhorting people to cooperate in conserving water. According to the FMC here in the capital, housewives must adopt measures to eliminate unnecessary waste at home. The FMC has also called for organized distribution of water in the most critical areas and has urged people to support the work of the Committees for the Defense of the Revolution and the comrades charged with providing this service to the people. All our people know about the problems created by the prolonged drought and the importance of cooperating as much as possible to avoid unnecessary waste, the FMC appeal concludes.

MININT SECURITY ORGANS HOLD PARTY MEETING

FL051454 Havana Domestic Service in Spanish 1100 GMT 5 Jul 85

[Text] Commander of the Revolution Ramiro Valdes, Politburo member and interior minister, presided in Havana over the Communist Party of Cuba's third meeting with the Ministry of Interior's, Minint, security organs. In his conclusions, Division General Jose Abrahantes stressed the unlimited confidence of Communists in the security organs in the bright future of our socialist homeland.

CAMACHO PRESIDES OVER ARMY CORPS CONFERENCE

FL121525 Havana Television Service in Spanish 1100 GMT 12 Jul 85

[Text] The main objectives discussed at the seventh party conference of a South Army Corps unit were to continue strengthening its combat capabilities and its ideologic work in the preparation for all the people's war. The meeting was presided over by Julio Camacho Aguilera, Politburo member and party first secretary in Santiago de Cuba Province, and Central Committee members Division General Ramon Esponosa Martin, Eastern Army chief, and Brigadier General Nestor Lopez Cuba. Those attending the conference agreed to support our commander in chief's remarks on Namibia's independence and the incapability to pay the foreign debt, and stressed the importance of what the FAR minister recently said in Santiago de Cuba: Fidel, fight, the rearguard is ready.

The delegates to the conference also analyzed the party's role in the FAR in the combat and political training aspects, saving measures, and efficiency. The commission attached to the political section was selected as well as delegate nominees to the party's third congress.

70 YOUTH FESTIVAL DELEGATES TO LEAVE FOR MOSCOW

FL151329 Bridgetown CANA in English 1743 GMT 13 Jul 85

[Text] Bridgetown, Barbados, July 13, CANA -- More than 70 Caribbean delegates to the controversial 12th World Festival of Youth and Students will fly to Moscow next week, Barbados youth sources connected to the week-long conference said today. The Eastern Caribbean delegations -- mainly groups of five -- will arrive in Barbados Thursday to catch a Cubana Airlines flight the same day to Havana, where connections will be made to the Soviet capital.

Countries which will be represented at the festival, the 12th in a series financed by the Soviet Government, include Barbados, St Vincent and the Grenadines, St Lucia, Dominica, Guadeloupe and Martinique, the sources said. Guyana, Trinidad and Tobago, Jamaica and the Bahamas are also among English-speaking countries sending delegations.

The national preparatory committees in the various islands had hoped to send larger delegations, but financial constraints forced huge cutbacks in the allocation of delegates from the region. Most of the regional delegations will comprise five members, except Guyana, which had its quota increased to 30 after it petitioned the festival organisers in Moscow, an ally of the Georgetown government.

All expenses connected with the festival, including accommodation and travelling costs, will be paid by Komsomol, youth arm of the Soviet Communist Party. The festival, whose origins date back to the immediate post-World War II period, has been denounced by the United States as an anti-Western propaganda event designed to endorse Soviet foreign policy objectives.

BARBADOS

MILLER ELECTED TO UN CONFERENCE ON WOMEN POST

FL162016 Bridgetown CANA in English 1531 GMT 16 Jul 85

[Text] Nairobi, July 16, CANA -- Barbados Education and Culture Minister Billie Miller is one of three vice-presidents appointed to one of the two main committees of the United Nations Conference on Women here. Representatives from Ethiopia and Hungary are sitting with Miss Miller on Committee Two, which has the broad-based task of formulating forward-looking strategies for the advancement of women up to the year 2000. This committee is also charged with recommending ways of removing obstacles to advancing the status of women.

The other main working group, Committee One, is reviewing and appraising the activities of the decade from the national level and identifying the stumbling block to the achievement of the goals of the decade, which has as its theme: equality, development and peace, with sub-themes, unemployment, education and health.

Committee Two, on which the Caribbean is represented, is dealing with the regional and international issues, and it is in this forum that heated political debate is expected to take place.

The selection of representatives for the committees followed several days of deadlock over the rules of procedure for the ten-day governmental conference, which has decided to operate by consensus rather than by vote.

DOMINICA

SEIGNORET INVITES DOUGLAS TO LEAD OPPOSITION

FL162035 Bridgetown CANA in English 1938 GMT 16 Jul 85

[Text] Roseau, Dominica, July 16, CANA -- President Clarence Seignoret today formally invited leader of the Dominica Labour Party (DLP) Michael Douglas to be leader of the opposition in parliament, the President's Office announced. The announcement followed talks between Seignoret and Douglas.

Douglas now heads the parliamentary opposition, after a previous abortive attempt last January when a little-known member of his party withdrew support from Douglas and won the backing of two independents to secure the post.

The DLP leader also told Seignoret of his new appointments as senators: former Finance Minister Vic Riviere, ex-Carib Chief Hilary Frederick, Yvette Barzey, the lone woman candidate of the DLP in the July elections, and former Chairman of the National Youth Council (NYC) Irving Knight. The Dominica House of Assembly is made up of 21 elected members and nine senators with the government appointing five and the opposition four. The government has not yet named its senators.

RAINFORD BRIEFS CHARLES ON SUMMIT RESULTS

FL162024 Bridgetown CANA in English 1922 GMT 16 Jul 85

[Text] Roseau, Dominica, July 16, CANA -- Caribbean Community (Caricom) Secretary General Roderick Rainford briefed Dominica Prime Minister Eugenia Charles today on the results of the recent heads of government conference. Charles missed the Barbados summit because it coincided with general elections, and she says she will not attend next year's in Guyana because she fears for her safety. Questioned whether Charles' absence would disrupt the conference where the unanamity rule applies, Rainford said: Well, why don't we wait until the Guyana summit takes place and see what happens? In my own personal view, I look forward to it with optimism.

Rainford said that the Barbados summit had been successful in that while we certainly did not have final decisions on all the important areas that we would have wished, at the same time we did have some important decisions, implementation of which will carry the integration movement forward. The leaders agreed to fully implement a package of measures agreed on a year ago to stimulate intra-regional trade by August 31 Two previous deadlines have not been met by most of the member states.

Rainford said he viewed the summit positively even if one were to take the view that not as many final decisions as one would wish were taken, a reference to widespread disappointment over the failure to reactivate the Caricom Multi-lateral Clearing Facility (CMCF), a credit mechanism that supported intra-Caricom trade. I think there have been frank admissions that, unfortunately, it was not possible to have any major forward movement at the recently held summit as far as getting the CMCF itself revived, but what was recognized at the summit was the continuing importance of putting in place, as early as possible, some kind of clearing mechanism such as the CMCF, and also the continued importance of continuing to address the problems of the CMCF, Rainford said.

Rainford said that his discussions with Charles also included the question of the way forward in the integration movement, including the question of the future meeting of the summit. But he declined to disclose the nature of their discussions.

GRENADA

DIPLOMATIC TIES TO BE STRENGTHENED WITH VENEZUELA

FL121912 Bridgetown CANA in English 2341 GMT 11 Jul 85

[Text] St George's, Grenada, July 11, CANA -- Venezuela is upgrading its diplomatic presence in Grenada from charge d'affaires to ambassadorial level, its embassy announced. According to the minister-counsellor of the embassy, Hernan Calcuran, he would be leaving the island within the next 20 days and his replacement would be Gonzalo Sanchez, Venezuelan ambassador to St Lucia. Calcuran told CANA that this was one of the issues raised yesterday during a one-day visit to the island by the Venezuelan roving ambassador to the Caribbean, Francois Moanak, in talks he had with Prime Minister Herbert Blaize. He said that Moanak also met Agriculture Minister George Brizan on cooperation between the two countries in human resources and Venezuelan technical advice in economic planning.

Asked whether Grenada asked for financial help, Calcuran said none had been made and, in any case, it would be impossible for Venezuela to give any money at this time because of its economic problems. However, he stressed that Venezuela is committed to maintain its current economic programme with Grenada and other Caribbean islands. Calcuran also said that he expected a Venezuelan aircraft to arrive in Grenada tomorrow with a gift of 45,000 polio vaccines.

DELEGATION TO ATTEND SEMINAR IN VENEZUELA

FL131622 Bridgetown CANA in English 1459 GMT 13 Jul 85

[Text] St George's, Grenada, July 13, CANA -- An eleven-man Grenada delegation was leaving here today for a July 15-26 seminar on strategic planning for the public and private sector in Venezuela. An official statement quoted delegation leader Terrence Moore as saying that seminar participants will examine the major problems of planning in small developing states, as well as study the Venezuelan experience and see how much of it can be applied to Grenada. Besides Moore, who is director of the Economic Division of the Ministry of Finance, the other members of the team are drawn from the Ministries of Agriculture, Communications, Finance and Health, the Electoral Office, the Trade Union Council, and the Grenada Employers Federation.

JAMAICA

SEAGA'S REVENUE ACT INCREASES PENALTIES, FEES

FL122200 Bridgetown CANA in English 2141 GMT 12 Jul 85

[Text] Kingston, Jamaica, July 12, CANA - Steep increases in penalties, fines and licence fees have been made in the newly approved 1985 Revenue Administration Act. The act, approved by parliament on Tuesday, increases the fine for failure to report an aircraft or ship at an approved port from 200 dollars (one JCA dollar: 17 cents U.S.) to 20,000 dollars. For refusing to stop an aircraft or ship when ordered to do so by a government officer, the penalty has moved from 200 to 4,000 dollars, while persons deviating from an approved flight or navigation plan can be fined 20,000 dollars.

In the area of manufacturing, illicit manufacture of goods moves from a fine of 2,000 to 5,000 dollars, the fine for carrying restricted or prohibited goods rises from 400 to 20,000 dollars, and failure to store excisable goods in accordance with the direction of a proper office can lead to a fine of 10 dollars per day for each container, an increase from 10 cents.

Prime Minister Edward Seaga, who is also finance minister, has said the fines were being changed to make the law more realistic. Some of the fines have been on the statute books for more than 40 years.

BITU DISSOCIATES ITSELF FROM ULTIMATUM TO SEAGA

FL162022 Bridgetown CANA in English 1742 GMT 16 Jul 85

[Text] Kingston, Jamaica, July 16, CANA -- The Bustamante Industrial Trade Union (BITU), an affiliate of the ruling Jamaica Labour Party (JLP), has dissociated itself from a seven-day ultimatum served on the government by five other major trade unions operating under the umbrella of solidarity. In a press statement, BITU Vice President Lascelles Beckford said that the union was dissociating itself from the ultimatum because it did not consider workers' business as a joke.

The five unions, including the opposition-affiliated National Workers Union, served an ultimatum on Prime Minister Edward Seaga last Wednesday, demanding that he meet with the unions to discuss wage increases, layoffs, and other matters resulting from the recent general strike. The ultimatum expires tomorrow. The ultimatum was served while Seaga was off on a tour of Japan, France, and the United States. He is not expected home before next week.

The five unions and the BITU, operating as solidarity, called the strike in the last week of June, crippling business in the country for about three days. Since then, Seaga has angered the unions further by suspending workers in essential services who participated in the strike and continuing with layoffs in the public sector. The unions, with the BITU noticeably taking a low profile, have been mounting feeble campaigns to get Seaga to the conference table.

The BITU, reacting to accusations at a mass delegates' meeting of the six unions on Sunday, said that it supports workers in their struggle for better wages, whether it be against the public sector or private sector. Said Beckford: It is nonsensical to consider the BITU would do anything to hurt the Trade Union Movement of which it is an integral part. The statement comes against mounting speculation by political commentators that the BITU has been ordered to toe the government line by the JLP Directorate. Deputy Prime Minister Hugh Shearer is substantive president of the union.

ST LUCIA

PRIME MINISTER SEES NO HOPE FOR CMCF REVIVAL

FL162012 Bridgetown CANA in English 1521 GMT 16 Jul 85

[Text] Castries, St Lucia, July 16, CANA -- Prime Minister John Compton says there is no hope for the revival of the Caribbean Community (Caricom) Multilateral Clearing Facility (CMCF), a loan clearing house to support intra-regional trade. The CMCF collapsed two years ago after Guyana used up most of the U.S. 100-million dollar credit. Georgetown currently owes the facility 70 million dollars, and says it expects to clear the debt in five years if Caribbean countries buy its surplus sugar.

At the recent Caricom heads of government conference in Barbados, the status of the CMCF was reviewed and member countries agreed to continue bilateral discussions with a view to finding a workable settlement. However, Compton cast severe doubt on whether the CMCF, a mechanism vital to trading within the region, can be resuscitated.

Guyana has shown no sign of being able to discharge its obligations to the facility and, therefore, it cannot be restarted. The facility has been of tremendous advantage not so much to the OECS but to Barbados, Jamaica, and Guyana, and the main vehicle for trade has now been stalled and now there is no hope of getting it restarted, he said.

Compton also ruled out any possibility of the trade credit regime discussed at the summit supplementing the CMCF. It was devised to provide credit for trade in specified products with the potential to be internationally competitive. I think this is just a stop gap measure, which I am not even sure how or if it would work. The CMCF is a substantial vehicle which has now denied us and, until that vehicle is refloated, trade in Caricom will suffer.

The heads of government said they expected the proposal for the trade credit facility to be fully worked out for a decision to be made before the end of 1985.

TRINIDAD AND TOBAGO

GUARDIAN ON GUYANA AS SITE OF CARICOM SUMMIT

FL151726 Bridgetown CANA in English 1620 GMT 15 Jul 85

[Text] Port-of-Spain, Trinidad, July 15, CANA -- The SUNDAY GUARDIAN newspaper here has praised Dominican Prime Minister Eugenia Charles' decision not to attend next year's Caribbean Community (Caricom) heads of government conference in Guyana. Charles, a staunch anti-communist, says she would not feel safe in Georgetown. By means of their rules and regulations, the (President Forbes) Burnham government has imposed on the people of Guyana a most stringent way of life, denial of even the basics, the paper said, whilst Burnham and his associates enjoy the best of the good life, taking off to conferences in luxuriously fitted jets, well stocked with champagne and caviar. The GUARDIAN also criticized Port-of-Spain government for its close relations with Georgetown, and what it called government's inability to let the Guyanese prime minister know that the actions of his government were out of step with a people committed for years to democracy and respect for justice. (Trinidad and Tobago Prime Minister) Mr Chambers represents a country where men and women are free and are able to hold free and fair elections and elections free from fear. He represents a country where the press is free, where justice can be had in our courts, the paper said. We totally agree with her (Charles') stand and wish that others in the region had her strength of integrity, and were able to tell Mr Forbes Burnham just what they think of the evil masquerade that passes for freedom in his country, and they feel so strongly about it, that they want nothing to do with him.

Miss Charles has expressed doubts that she would be safe in Guyana, the paper continued. We agree, and indeed are completely at a loss to understand how the other leaders in the region could have agreed to Georgetown as the venue for the next meeting. It is totally absurd and out of step with the present lack of regard that all freedom-loving people must hold for Burnham and his gang. People who oppose his rule are harassed, murdered, hauled through the courts in a continuing travesty of justice. There is no freedom of expression, either through a free press or even in the spoken word. The poeple of Guyana are condemned to participate in meaningless elections that cannot stand the scrutiny of even the most foolish but honest person among us, the GUARDIAN added. It continued: It is bad enough that historical accident has compromised us and Georgetown continues to be the headquarters of the Caricom Secretariat. But to now go and accord to Mr Burnham the honour of hosting a Caricom conference is an insult to the people of the region. Indeed, an insult of the highest order. It is bad enough that Caricom leaders have to sit around the same table with a man like Burnham. To go to his table in Georgetown is the ultimate disgrace.

DOMINICAN REPUBLIC

$1.087-BILLION FOREIGN DEBT RENEGOTIATED

FL162036 Santo Domingo LISTIN DIARIO in Spanish 28 Jun p 1

[Excerpts] Hugo Guilliani Cury, Central Bank governor, yesterday said the Dominican Government has been able to renegotiate $1.087 billion with international commercial banks. $787 million were renegotiated with commercial banks and $300 million with the Paris Club, which cover government to government debts or are guaranteed by them.

By obtaining a grace period of almost 5 years, since during the fourth year the government will only pay 2 percent of the amount due and during the fifth year it will pay only 6 percent, the country will have a reasonable amount of time to establish the foundations for a gradual return to healthier financial conditions with foreign countries. Likewise, a longer payment period, that is, 13 years, will mean smaller annual term debt payments, thus spreading over 13 years the amount due, which otherwise would have to be paid in 5 years.

URUGUAY

HEALTH WORKERS STRIKE FOR 30-PERCENT WAGE HIKE

PY122250 Paris AFP in Spanish 1314 GMT 12 Jul 85

[Text] Montevideo, 12 Jul (AFP) -- Today, Uruguayan health workers started an indefinite strike, calling for a 30-percent salary increase with bimonthly adjustments. The step was taken by the federation of workers in private sanatoriums, dentistry and radiology clinics, mobile emergency services, psychiatric and convalescent homes, and medical care associations.

According to spokesmen of the health workers trade union, which is a member of the largest trade union organization in Uruguay, the Interunion Workers Plenum (PIT-CNT), th principles that led to the strike are not subject to negotiation but the effectiveness of the strike is subject to an adequate proposal by the employers. The spokesmen also stated that the emergency services will be augmented and will be handled by the employee who, beginning today, are occupying their places of work.

Political sources said that a congressional commission that is studying issues involving hygiene and medical care will mediate in the conflict.

BLANCO DEPUTY KILLED, ANOTHER INJURED IN ACCIDENT

PY131435 Montevideo Radio Carve in Spanish 0000 GMT 13 Jul 85

[Excerpt] Blanco Deputy Carlos Rossi's condition is very serious. Following a road accident near San Ramon, the lawmaker was taken to the intensive care unit of the First Spanish Society of Mutual Aid [Sociedad Espanola Primera de Socorros Mutuos].

Medical sources told Radio Carve that Rossi's condition is stable, and that he was hospitalized with a third degree coma [as heard]; the sources added that Rossi underwent a tracheotomy and then a computerized tomography, which assessed his condition.

Blanco Deputy German Oller and driver Hugo Nelson Perez Valdovinos died in the accident.